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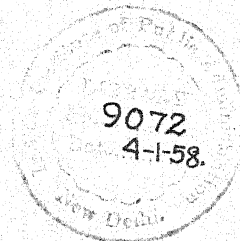


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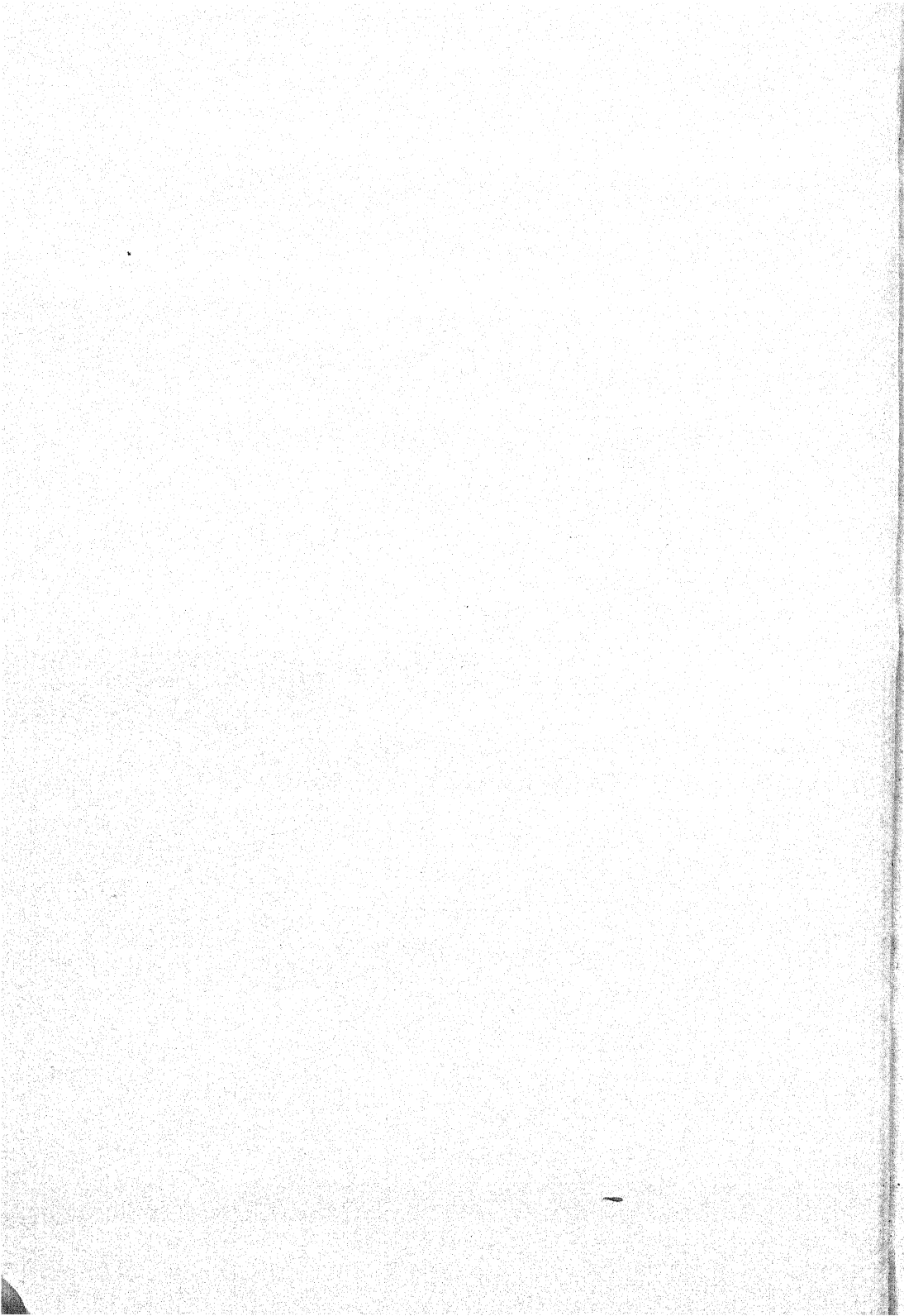
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## THE ECONOMIC HISTORY OF INDIA: 1600—1800

### INTRODUCTION

India between 1600 and 1800 experienced vicissitudes that have fallen to the lot of few countries in the world's history. The seventeenth century saw India as the agricultural mother of Asia and the industrial workshop of the world. The end of the eighteenth century witnessed the rapid decline of Indian industries, the complete ruin of Indian trade and shipping, and the loss of her political sovereignty. Akbar, the Great Moghul, completing the unification of India sought in 1583 to send an embassy to Portugal and Rome, suggesting presumably some sort of alliance with Europe against the Turks, but the mission did not proceed farther than Goa, the reluctant ambassador dying there in 1600. This was the first and a unique gesture of goodwill of India to Europe. In the same year (1583) Queen Elizabeth from her distant island in the West gave a letter of introduction for Emperor Akbar to John Newbery, who was the first Englishman to make the land journey by the caravan route from Aleppo and Baghdad to Hormuz, and thence by sea as a captive in a Portuguese ship to Goa. In all probability this letter in which the Queen acclaimed Emperor Akbar as 'the most invincible and mightie prince' was presented to the Moghul Emperor in 1584 at Fatehpur Sikri, which Newbery reached after his escape from Goa and a circuitous journey to the Imperial capital *via* Golconda and Burhanpur.<sup>1</sup> Eight years later an English navigator, Lancaster, for the first time rounded the Cape of Good Hope and the southern point of Ceylon, reached the Nicobars (the Nakuta of Bengalee navigators, from *nagat*, ripe coconut) and the Malacca Strait, and arrived at Achin where he found ships of different nations from Bengal, Pegu, Patani, Calicut, Malabar and Gujarat that had come there to trade. Before that the Spice Islands and the East Indies were

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<sup>1</sup> Foster: *England's Quest of Eastern Trade*, Ch. VIII.

already visited by the famous Drake during his great voyage of circumnavigation in 1577—1580. 1600 saw Elizabeth sending another envoy, John Mildenhall, to Akbar in search of trading privileges equal with those of the Portuguese. The same year witnessed the foundation of the East India Company in London for trading in the products of India and the East Indies. Two years later, 1602, the Dutch United Company was established in Holland that played even a more important rôle than the English East India Company in the development of European trade and political power in Asia. That year also witnessed the establishment of Bantam in Java as the English capital of their Eastern territories.

No sooner had the Treaty of London (1609) established the principle of freedom of the seas than the struggle for that freedom was localised in the sea-routes, strategic islands and ports of the Arabian Sea and the Indian Ocean, where the Dutch and the English together challenged the commercial monopoly of the Portuguese, and subsequently fought with each other for the establishment of trade monopolies and privileges in India and the Spice Archipelago. 'Mare liberum' was violated from the very beginning of European traffic in the Eastern seas. It was a strange combination of political and economic circumstances and mutual relations of the Portuguese, the Dutch, the English and the French both in India and Europe that led the Dutch to found their Empire in the East Indies instead of the English, and the English to dominate the trade and carve out their empire in India, and, finally, the Portuguese and the French to lose both trade and empire everywhere in the East. The thriving commercial Provinces of Moghul India in the 17th century were Gujarat, the gateway of Western Asia and Africa, Coromandel and Bengal, through which flowed the rich trade in spices and cloth goods to the Persian Gulf and the Red Sea, and to Europe and Africa via Ceylon and the Cape of Good Hope. Surat in Gujarat, Masulipatam, Madras and Negapatam on the Coromandel Coast, and Hooghly in Bengal represented the principal strongholds where the battle for primacy in trade and acquisition of privileges and monopolies was fought out among the European powers, just

as about a century earlier Diu, Bassein, Goa, St. Thome, Negapatam and Hooghly served as the bases of the foundation of commercial prosperity of the Portuguese in India. It was the Portuguese who first wrested from the Arabs and Indians the virtual monopoly of the Eastern trade by their command of Asiatic waters. At the same time they introduced European luxuries such as Spanish and Canary wines, linen, coral and glass into the Asiatic markets.

The Portuguese were at the height of their power in the Eastern seas in the middle of the sixteenth century. But in this period sea-voyages were so long and perilous and the mortality in the small crowded ships so heavy that they never made any serious attempts towards colonisation and acquisition of territory in the hinterland, but confined themselves to occupation of strategic posts, straits and islands and their defence against attack so as to maintain their mastery of the trade-routes and exclusive monopoly over the Eastern trade. Both the Dutch and the English, who appeared in the Eastern scene after a century, had not merely commercial but also colonial ambitions that were manifest from the very start, especially in the case of the former. The Dutch under the leadership of Coen and Van Diemen soon secured an advantageous position in the Indian Archipelago. The English were handicapped in the East by the vacillation of the Directors between mercantile and political aims, the civil war in England, the caution of the English sovereigns and the rapid development of English colonial activities in America. In 1616 the English who had factories at Surat, Agra, Ahmedabad and Broach in Western India, and at Masulipatam and Petapoli on the Coromandel Coast, and carried on commerce from a considerable portion of India, Persia and the Red Sea ports, reported to the East India Company that it was impracticable for them to open trade "in countries bordering on the Ganges" because of Portuguese monopoly. In Bengal "for small shipping there were no ports but such as the Portuguese possessed." The important entrepôts of the Portuguese commerce in Bengal at that time were Hooghly, Chittagong and Pipli. The last was founded by the Portuguese as early as 1514 and was as important a strategic

settlement as Chittagong on the eastern estuary in Bengal and Negapatam on the Coromandel Coast, whence their fleet could protect their commerce from Coromandel and Orissa to Arakan and thence to Malacca and Ceylon. The monopoly of the East Indian trade was maintained by the Portuguese almost throughout the sixteenth century and the first quarter of the seventeenth century.

The competition between the different European powers led to a phenomenal expansion of the Indian trade in calicoes, indigo and saltpetre with Europe and Asia and Africa in the seventeenth century. The total volume of India's cloth exports alone may be estimated, on the basis of Moreland's data and other statistics, at about 60 millions of sq. yards of which Europe took 32 millions (25,000 bales). Of the latter the English trade was represented by about 15,000 bales. It is difficult to estimate the value of this merchandise, since the prices are given according to pieces that varied a great deal in size and quality. Reckoning on an average the value of exported piece-goods at 40 florins per 100 sq. yards, the value of cotton goods exported to Europe would be about £1·3 millions, and the total cloth export might be valued at £2·4 millions. This does not include the silk goods exported from Bengal where silk manufacture was localised in Cossimbazar that, according to Tavernier, produced 22,000 bales of silk per annum for export. This would amount to something like 44 million sq. yards of silk and would be valued at about Rs. 78 lakhs. Besides silk-fabrics made at Ahmedabad used to be exported in large quantities, especially by the Dutch, to the East Indies and other neighbouring countries that are not accounted for here. Eighteenth-century statistics show that 1½ million cotton piece-goods were exported to the West, valued at £2·9 millions. Indian handicrafts not only produced the necessities of life as well as luxury articles for the home market of a big and populous empire but also disposed of their surplus to the then civilised world, drawing all its gold and silver. Their organisation, indeed, showed a far greater integration than that discernible in European arts and industries.

India's inland and foreign trade and shipping also were, in



the 17th and 18th centuries, more highly developed than in most civilised countries; while there were rich financial houses which had establishments in the principal commercial centres within the country and also abroad in the Persian Gulf, the Red Sea and the Indian Archipelago. The luxury and extravagance both of the nobility and the merchants were, however, in sharp contrast, as in contemporary Europe, with the poverty and low standard of living of the majority of the population. Yet surveying four centuries of wages and prices we find that real wages in Northern India in terms of five principal food-grains now are one-half to two-fifths of that in the beginning of the 17th century. The deterioration of the standard of living in the 19th century is especially marked by the reduction of use or even omission of clothes and blankets, butter, oil, salt and sugar. We have been able to assemble adequate statistical data for a rough comparison of living standards during the 17th, 18th, and 19th centuries. The economic condition of the common people in the 17th and 18th centuries was not depressed by overcrowding in agriculture, the population being estimated in 1600 at only 100 millions as compared with 400 millions of to-day. "The vacation from agriculture" was amply utilised in cottage weaving and spinning and in various other arts and handicrafts, while the vast volume of export of cottons, silks, indigo, saltpetre and luxury articles maintained a balance of trade in favour of India that became in fact the sink of the world's precious metals.

But the prodigious quantity of export of cloth goods to England towards the end of the 17th century, coupled with the rise of cotton industry in Paisley and Manchester, indirectly brought about the economic *débâcle* of India. About 2,141,000 pieces of chintz and other cloth goods going each year (1680—1683) at the end of the 17th century to England from India threatened to kill English woollen and silk industries. Thus the year 1700 saw the first imposition of prohibitory duties against the import of Indian calicoes in England. The Indian trade in calicoes inevitably began to shrink. Meanwhile the ancient shipping of the Gujaratis, Malabaris, Kalings and Bengales in the Asiatic waters was killed by European piracy and monopoly,

especially as the Moghul Emperors failed to develop a strong navy for the protection of the Indian mercantile marine that used to ply in the Asiatic waters from Sofala, Mocha and Ormuz in the West to Malacca and Macao in the East and that represented a far heavier tonnage per vessel than the average European ship of the 17th century. The English monopoly of shipping and competition with Lancashire cloths in the Eastern and home markets ultimately led to the ruin of the Indian handloom, cloth and silk weaving industries, and India was started on the road of complete economic dependence on Great Britain.

It was an historical accident that gave the English East India Company their mastery over India as the Dutch Company pre-occupied themselves in the Archipelago in the beginning of the 17th century. Until the 18th century it was not India but the Archipelago of the East Indies which was considered the greater prize for the Dutch, the English and the French because of spices, pepper and gold; while in the 17th century the Dutch as compared with the English took up the East Indian enterprises on a much bigger and more ambitious scale. The Dutch East India Company showed the adventure and resolve of a puissant nation that emerged successfully from their fight with the Spanish monarchy; while the English Company suffered at the beginning not only from the vacillation and pusillanimity of Elizabeth and James I but also from the caution of the Directors in Leaden Hall Street stressing that quiet trading succeeds while the 'keeping of soldiers beggars a nation.' But 'the men on the spot' insisted on a policy of fortification, acquisition of lands and vigorous offensive according to political conditions and opportunities that naturally varied from time to time and in different areas of settlement. The Directors after about six decades thus revised their policy and imitated "the wise Dutch" who used from the beginning the strong-arm, and had as many as 170 forts and fortified places in India in 1686. The Dutch experience in both India and the East Indies was in fact invaluable for the success of the English in India as they, in imitation of their stronger rival, tried to run their factories in such manner as these could pay their own expenses and defend themselves against aggression, if necessary, with forti-

fication and acquisition of adjacent hinterland. The disorder in the country, the harassment and exactions of the Provincial Governors, local Rajahs and their officials, and the unscrupulous methods of their European rivals, the Portuguese and the Dutch, all encouraged the transformation of their factories and warehouses into forts with armed garrisons; while the stronger and more numerous the forts and armaments, the more ardently they were sought as allies by one or other of the various warring rulers in the period of confusion. Thus military power and territorial sovereignty were early sought by the English along with trade in Gujarat, Carnatic and Bengal. Meanwhile the Dutch themselves permitted their naval power to dwindle though even in 1723 the French Traveller Lullier reported that "if the Dutch were the richest nation in the Indies they were likewise the most powerful and those who carried on the greatest trade." On the other hand, the decline of the Dutch power in the East Indies was in some measure due to their growing expenditure in the maintenance of numerous fleet, garrisons and fortresses that gradually wiped out the enormous profits from their trade in Surat, Bengal, Coromandel and the Indian Archipelago. The system of commercial monopoly which they inherited from the Portuguese and to which they stuck rigidly, in spite of the wise counsels of several governors-general, hindered the development of the economic resources of Ceylon, Malabar and the Indian Archipelago whose pepper and spices also encountered a reduced demand in Europe due to change in taste and development of mixed farming that obviated the necessity of preservation of beef for the general body of the population. The economy of these tropical and sub-tropical regions, based on monoculture, proved far less flexible in a régime of commercial monopoly and exploitation than that of the rich agricultural and industrial regions of Gujarat, Coromandel and Bengal.

The English East India Company enjoyed the obvious advantage that it was the might of Dutch arms that destroyed the Portuguese monopoly in India, Ceylon and the Spice Islands and paved the way for prosperous English trade. They had not to incur the vast expenditure on the maintenance of the navy,

garrisons and fortresses that burdened the Dutch Company. Nor could any maritime power succeed in the battle of India with their strongest settlements only in Malabar and Ceylon; for the Dutch did not assume responsibilities of sovereignty in Surat, Coromandel and Bengal although it was these areas that were the sources of their greater commercial gains on the whole. In these three regions the English gradually wrested more and more advantageous trade privileges than the Dutch from the Indian rulers, and their profits went on expanding by leaps and bounds as commercial monopoly and political power aided each other. Even Bengal that yielded annual profits of hundreds of thousands of guilders began to show frequently losses for the Dutch Company after 1720.<sup>2</sup> With the diminution of their naval superiority, the Dutch sought to retain trading privileges in India by means of flattery and presents to the Indian rulers; while their rivals, the French, under Dupleix could even capture Masulipatam much to their chagrin in 1750. The grandiose plans of the French statesman Colbert to share in the profits of the Dutch and the English trade of the East Indies by establishing a string of settlements from Madras and East Africa to parts of Persia and India went awry due to the misfortunes of the French fleet on the sea and quarrels among the directors and subordinates of the French Company. The European war in the latter decades injured French trade and led to the inefficiency of the Company's factories in Bengal, Gujarat, Malabar and Coromandel, that was aggravated by the incapacity of several successive governors at Pondicherry, and financial bankruptcy. But it was the French whom the English emulated in certain important matters of Indian policy and army organisation. For the French first began to negotiate political alliances with Indian chiefs and rulers, and also to train Indian sepoys in methods of European warfare whom they led for conquests in the interior far away from their forts and factories on the coast.<sup>3</sup> As a matter of fact among the European powers it was the French who could first establish their dominion

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<sup>2</sup> Geyl: "The Dutch in India," *Cambridge History of India*, Vol. V, p. 57.

<sup>3</sup> O' Malley: *Modern India and the West*, p. 49.

over a large territory in the Indian peninsula that lasted, however, for only two decades. The ultimate failure of the French in India who also had their settlements at the strategic positions of Surat, Pondicherry, Masulipatam and Chandernagore was due to the fact that naval superiority could win for the English the maritime province of Bengal with its river connections with the North. Both Dupleix and Clive dreamt of a European Empire, arising out of the ruins of the Moghul Empire in India. But Dupleix's vision, centred round the mastery of the Carnatic, was geographically destined to fail, as Clive's centred round the Ganges delta was to succeed.

For the supremacy over Bengal the English had not merely to defeat Nawab Sirajuddowla at Plassey but also the French at Chandernagore and the Dutch at Chinsura. It was the suzerainty over Bengal that assured the English the command of the rich resources of the Ganges valley with which they ultimately won the Indian Empire. They, however, had the best hopes and promises of trade from their earlier settlements on the western seaboard.

A brief survey of the early developments of British trade and enterprise that at the beginning were concentrated in the Arabian Sea and the Coromandel coasts would show this. On the Arabian Sea Coast the initial victories of the English over the Portuguese fleet at Surat, Calicut, Cannanor and Jusk between 1612 and 1635 and their capture of the far-famed port of Ormuz from the Portuguese in 1621 destroyed all over the world the prestige of the Portuguese whose armadas then ranged over the Asiatic waters from the Persian Gulf to the China Sea, and opened for the English the gateway to the lucrative Eastern commerce both by land *via* Combroon and Basra and by sea *via* Mocha and the Cape. In the Bay of Bengal the English first obtained footholds in 1633 at Hariharpore and Balasore, for several decades the principal European settlement in the Bay, whence pilots conducted European ships up the river Hooghly, at Hooghly in 1651 and even earlier (1611) at Masulipatam and Petapoli that were, indeed, of far greater significance for English strategy.

Coromandel coast could be easily exchanged for the spices of the Indian Archipelago, and thus an exceedingly profitable trade in spices with Europe could be developed by the English without the transfer of much bullion for the purchase of spices satisfying the demands of the Merantilists. On the other hand, Bengal's political weakness and natural geographical advantage were Britain's opportunities. But piracy, shoaling on the mouth of the Hooghly and the dangers first from the Portuguese and then from the Dutch naval vessels that scoured the Bay of Bengal delayed the first entry of an English ship into the Hooghly river till 1679, i.e, about three decades following the establishment of their first factory in Bengal at Hooghly (1651). The political and economic significance of this remarkable voyage of Captain John Strafford up the Ganges has escaped the attention of Indian historians. The Captain was instructed by the Company to proceed, with the utmost care, as far up as Hooghly "as a precedent for the Company's ships not to remain in the dangerous road of Balasore at the breaking up of the monsoon but for their safety and for the better lading of goods to go into the river," and also "to get the best information he can of the shoals, channels and setting of the tides."<sup>4</sup> The English then gradually obtained differential trade privileges in respect of freedom from custom and transit duties in Bengal and Orissa from the Nawabs of Bengal enabling them to easily oust not only the Portuguese, Dutch and French merchants but also the nationals in trade. This was accomplished, however, not without opposition. First, the Portuguese, after their expulsion by the Moghuls from Hooghly and Hijili, did not easily let go their hold on the trade of Bengal. Secondly, the Dutch constantly resisted the English, and not only jealously excluded the English from their own settlements in Bengal but sought to undermine English trade in stations that the latter acquired by treaties with the Nawabs. Thirdly, the Interlopers started a new trade and caused no little inconvenience and harassment. Finally, the local underlings of the Nawabs constantly hampered

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<sup>4</sup> *Court Minutes of the East India Company*, 1677—79, p. 127.

the movements of commodities for trade with a view to extort money from foreign merchants.

The monopoly over the trade and the use of the mailed fist were indissolubly linked in the annals of the East India Company in India. All this happened at a critical stage of the dismemberment of the Moghul Empire when the mastery over trade could be used by a European nation for successful political aggrandisement. That mastery was won by that European nation which was supreme in sea-power in the world at that time, and thus the destiny of India was quickly and unexpectedly decided in Bengal, the richest province of the disintegrating empire in respect of natural resources, production and trade, which also gradually opened the way towards Patna, Benares, Oudh and Agra through the network of the Ganges system. Thus the key of India was Bengal and not Coromandel where Dupleix looked for it, nor Gujarat where the British themselves hoped at first to firmly lay the corner-stone of their Empire.

The English occupation of the three strategically important coast areas, *viz.*, Gujarat, Coromandel and Bengal enabled them also to develop their trade and resources in one of these territories whenever there was political confusion or famine in either of the remaining two. The severe famine in Western and Southern India (1630—1635) followed by pestilence, which ruined British trade in Western India, and even led the Surat factors to discontinue their investments, encouraged indirectly their efforts to explore trade prospects in the Indus Delta, the Persian Gulf, Malabar and Bengal. This was facilitated in the Arabian Sea and the Persian Gulf by Anglo-Portuguese amity, sealed at the Convention of Goa in 1605. It enabled the English for some time to develop the port-to-port traffic on the Arabian Sea and the trade with Malabar in pepper and spices, products which could no longer be obtained from Ceylon and the Archipelago due to the stringent Dutch monopoly. Trade was also extended to Laheribander and Tatta at the mouth of the Indus in 1635 and to Basra on the Persian Gulf in 1640. In Bengal, too, exploration became easier due to the expulsion of the Portuguese from Hooghly and Hijili in 1632 and 1636 respectively. At Masulipatam and Armagaon, and on



the entire Coromandel coast, there was also experienced at that time a great scarcity of cloth and food grains due to the "miserable tymes full fraught with the calamities or war, pestilence and famine."<sup>5</sup> Again, the English considerably improved their position in the Coromandel Coast during Sir Josiah Child's War in Western India and Bengal between 1685—89 and the depredation of the Mahrattas and depreciation of bullion that considerably reduced the English trade at Surat.

The simultaneous development of trade monopoly in strategic settlements on three different coast lines was accordingly of considerable advantage to the English, especially as in each centre the acquisition of territory was sought from the very start along with commercial privileges. Like their compeers, the Portuguese and the Dutch, the English came to the East Indies not as mere merchants, as is so often believed, but also as pirates, buccaneers and conquerors using fortified sites, war-ships and garrisons from Madagascar to Java and the Spice Islands. Four years after their conquest of Ormuz from the Portuguese (1622), the English allying themselves with the Dutch sought to capture also Bombay from the Portuguese, and wrote to the Directors at home about the need of fortification at Armagaon on the Coromandel coast so that they might "get the whole government of the place into our own hands;" otherwise "the Dutch will never leave us in quiet till they have by one means or other rooted us out." Armagaon was fortified in 1625, and Madraspatam (Fort St. George) in 1641. Similarly, it was proposed to Cromwell by the head of the English factory at Surat that he should send out a naval expedition to the East Indies to capture the possessions of the Portuguese. In 1662 the British obtained as part of dowry for their king what could not be obtained by might, the island of Bombay. In Surat also Sir Thomas Roe (1615) early recommended an aggressive policy "as the nobler and safer part." But here they had to wait for about seven decades. It is well known how in Surat in 1685-86 Sir John Child's aggressiveness was supported at home by his masterful chairman kinsman, Sir

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<sup>5</sup> *The English Factories*, 1630—33, p. 183.



Josiah Child, who aimed that the Company "will establish such a politie of civil and military power, and create and secure such a large revenue to maintain both at that place, as may be the foundation of a large, well-grounded, sure English Dominion in India for all time to come."<sup>6</sup> Sir John Child was, of course, encouraged by Aurangzeb's pre-occupation in the war with Bijapur, Golconda and the Mahrattas as he challenged the supremacy of the Moghuls leading to a short and disastrous war with Aurangzeb that ended with the latter's seizure of the Surat factory and complete loss of English prestige in India. Aurangzeb in anger issued orders for their immediate expulsion from his dominions. Similarly in Bengal the English refusal to pay way-dues and customs on the Hooghli on their lucrative and expanding commerce, in the profits of which private English traders also participated, led to a war with the Provincial Viceroy, Shaista Khan. The expedition of twelve warships sent out from England to seize Chittagong entirely failed and in 1688 the English were compelled to leave Bengal altogether. For the time being the theory of the mailed fist had to be given up. Terms, however, were soon settled between the two sides, both in Western India and in Bengal. Child's removal of the seat of government (1687) in the course of the Moghul War from Surat to Bombay that was directed to be made "as strong as money and art could make it" was a part of the total plan of defence and offence. Thus was founded the English gateway to the East. Three years later (1690) Job Charnock in Bengal acquired by negotiation Sutanati, Govindpur and Kalikatta on a strategic site on the eastern bank of the river, most helpful to the English on their return from the estuary to ward off the Mahrattas and at the same time to fight their European rivals as well as the Nawab. Here was built later on the second city of the British Empire as the English after a decade (1700) resorted more to "the use of the military" than bribery and presents for successfully rejecting the demands of the native officials and even of the Nawab. On the Western coast Moghul arms and prestige were dealt a severe blow by Shivaji

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<sup>6</sup>*Letter Book*, Vol. viii, pp. 242-243.

whom the English looked upon with fear and respect. But the feebleness of Shivaji's successors and the disorder following the death of Aurangzeb were incentives to the English resort to force. Surat greatly declined in trade and prosperity at this time, and the English were induced by the people of the city, fed up with local dissensions, to take over the possession of the castle, the Government and the fleet from the Sidee in 1759. Though the Mahrattas did not interfere, the English in their turn recognised the strategic importance of this possession: "Surat which has ever been considered as the emporium of this side of India, admirably well suited for a general mart connecting the produce and wants of Hindustan, Deccan, Arabia, Persia, Europe and China is, besides, the only check to the absolute dominion of the Mahrattas in these parts." The aggressive policy of the English in the Carnatic and in Bengal needs hardly any emphasis. In the middle of the 18th century Colonel Scott even gave a scheme to the English Company for the conquest of Bengal through "five hundred disciplined troops defending the (Sicregully) against the whole power of Indostan and securing us from that quarter."<sup>7</sup> Thus the English would not have any threat from either the Moghuls from Delhi or the Mahrattas from the West. While the battles of Wandiwash and Plassey in Coromandel and Bengal were milestones of British political domination of India, their steady aggrandisement and increasing mastery in the Bombay coast in spite of the ascendancy of the Mahrattas cannot be overlooked as indispensable steps in the battle of India. In the final issue with the French in the battle of Wandiwash and siege of Pondicherry, the supplies of provisions and money from Bengal and of grain from the northern settlements of the English were decisive advantages against the French who were compelled to give battle to Coote's superior force at Wandiwash and capitulate at Pondicherry due to extreme distress and starvation.

The general notion that the British conquest of India was unintentional or chance-directed is, therefore, wrong. "In India,"

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<sup>7</sup> See Balkrishna's Presidential Address, *Proceedings of the Indian History Congress*, Allahabad.

Seeley observed, "nothing greater that has ever been done by Englishmen was done so unintentionally, so accidentally as the conquest of India. (Here) we meant one thing and did quite another. All along we have been looking one way and moving another." This is altogether misleading. From the first advent of the English in India they sought both trade monopoly and territory in the three strategic coastal regions they occupied, where they could fight from advantageous sites the other European naval powers, the Dutch and the French, and escape from or defy the might of the Moghul Emperors, provincial Viceroyes or the Mahrattas. It is true that political power was subordinated to trade for about half a century of their early settlement when they avoided entanglements and expenditures on garrisoning and fortification that proved too heavy a burden for the Dutch Company. But all this was in a large measure biding for time and opportunity when with the loss of the Indian Archipelago, where the Dutch obtained their ascendancy, India was the only prize left for a young adventurous maritime nation with its traders and buccaneers scouring the seven seas of the earth. All along the soft glove of the trader and the mailed fist of the conqueror were used simultaneously or alternately as the occasion demanded. "The times required that general commerce should be managed with swords in your hands," as Aungier, Governor at Bombay, remarked in 1686. Not mere wealth from commerce, but also "strength, force and honour" were the objectives of the English in India, especially of the Governors and factors on the spot. Otherwise there would not have been any British commerce, nor British commercial monopoly, not to speak of British conquest of India. The words of Lord Palmerston are true: "The original settlers began with a factory, the factory grew into a fort, the fort expanded into a district and the district into a province."

Indian history from 1600 to 1800 cannot be adequately understood without reference to the trade rivalry, colonial enterprise and political struggle between the European powers not merely in India but also in Southern Asia in the entire background of the lucrative world trade in pepper and spices of the Malaccas,

the cloth and silk goods and indigo and saltpetre of India and the silk goods and porcelain of China that brought together China, India, the Archipelago, Western Asia, Africa and Europe within a common economic ambit. It is the aim of this monograph to briefly envision this background. Long before the Commercial Revolution of the 19th century the world achieved indeed an economic unity, with India occupying the central position as she supplied food grains to other parts of Asia and cloth and silk and luxury goods to every part of the civilised world, and directed to herself the entire world current of gold and silver, replenished by the Spanish conquest of Peru and Mexico for being coined into Indian money. India in the 17th century was the magnet of the world's precious metals, her commercial activity for surpassing European commerce, the European merchants of Venice, Genoa and Lisbon acting as intermediaries of traffic in the precious goods that found their way to Europe through the Levantine and Egyptian ports or by the newly opened sea-route *via* the Cape of Good Hope. In 1600 neither Portugal nor Holland nor England produced much that could be exported to India and the East Indies in exchange for spices and pepper of the Southern Islands and cotton and silk goods, pepper, indigo and saltpetre of India that were in world-wide demand. Only broadcloth, gold and silver embroideries and a few other luxuries for the nobility, coral, tin and lead were imported to India from Europe that, therefore, had to pay chiefly in bullion or specie for the increasing volume of Indian exports. The Dutch and English East India Companies since 1600 gradually obtained the monopoly of this lucrative trade after overthrowing the power of the Portuguese by, first, using their war-ships in the Asiatic waters to prevent direct trade between China and the Indies on the one hand, and between India and the Far East, Persia, the Red Sea on the other and thus wresting the carrying trade from the hands of Arab, Indian and Chinese merchants; and secondly, by fortifying and garrisoning their "factories" in different regions of Southern Asia to extort trade monopolies and privileges from weak rulers or compel the people to pay tribute in the form of commodities for export. A whole century of activities of Dutch

and British pirates, buccaneers, soldiers, factors and merchants not merely left them in complete monopoly over the trade between the different parts of Asia and between Asia and Europe, but also laid the foundations of two empires in the East, one in India and the other in the East Indies.

The building up of the two Eastern empires, one with its capital in Calcutta and the other with its capital in Batavia, followed the downfall of the Portuguese power in the East after a long-drawn triangular conflict carried on in the Asiatic waters till the middle of the 17th century. It originated in the same impulsion that led to the Spanish occupation of Mexico and Peru, the Portuguese conquest of Brazil and the establishment of English and French colonies and dependencies in America. The Atlantic, Indian and Pacific Oceans were first unified by commerce by the middle of the 17th century, and until the beginning of the 19th century enormous quantities of gold and silver from Mexico and Peru flowed into India to pay for cloth and silk goods, indigo and pepper she supplied to Europe and also for her saltpetre that made gunpowder for the chronic wars of that continent. It was India that was the hub of this world commerce prior to the period of the Industrial Revolution. But Indian shipping was ruined by Portuguese, Dutch and English piracy in the Asiatic seas, and Indian trade by differential trade monopoly and "extraordinary privileges" at home in favour of the European factors and merchants "as if they were even more than the natives"; while the Indian cotton industry was also hard hit by the loss of the English market due to the prohibition since the beginning of the 18th century of the import of Indian calico and silk, by the discouragement by the East India Company of the manufacture of cloth goods of high counts and silk fabrics in India and by the loss of her old markets in the Archipelago, Persia and Africa with the dwindling of the Indian mercantile marine. Towards the end of the 18th century, the annual average value (1786—1790) of Indian cotton piecegoods sold by the East India Company in the English market was £1.4 millions.<sup>8</sup> France was also importing

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<sup>8</sup> *Report of the Select Committee on the Export Trade from the Great Britain to the East Indies*, 1793.

annually at that time (1791) £1·2 millions worth of Indian cotton piecegoods; while a considerable quantity of these was also exported in American vessels (valued at Rs. 5,600,000 in 1816-1817). Even as late as the beginning of the 19th century, in spite of the high tariff and prohibition of import of certain important varieties, India annually exported to England cotton piecegoods valued at about £2½ millions, selling at half the price of cloth goods that were made in England largely in hand-loom employment about five times as many workers as were employed in the power-loom. The increase of export of Indian cotton and silk piecegoods to England at the opening of the 19th century when these amounted to £2·5 millions as compared with £200,000 to £300,000 worth of cloth goods per annum between 1677—1680 and £1 million between 1697—1702 is remarkable. The reason is that Indian calicoes and silks, muslin and chintz completely replaced French stuffs, which were in fact prohibited in 1678, and set the fashion for the English poor, middle and upper classes "from the greatest gallants to the meanest cook-maids." England then developed herself a calico printing industry at the beginning of the 18th century, borrowing the methods and processes from India and even succeeding to imitate the best Indian work in prints and began to import larger quantities of plain Indian calicoes. Even with duties this new calico-printing industry, localised in Surrey, Kent and other southern countries, began to prosper, working on plain calicoes increasingly imported from India and sending out the finished products to the Colonies and elsewhere as well as meeting the needs of home consumers in spite of the agitation carried against this new industry on capitalistic lines by the domestic woollen and silk-weaving industries. The English calico-printing industry thus thrived on the import of Indian plain calicoes throughout the 18th century; it was only in 1799 that the prohibitive import duty of £67-10-0 per cent was imposed on "plain white calicoes." Raw silk and wrought silk fabrics also greatly increased in value, among the items of Indian exports to England since the end of the 17th and the beginning of the 18th century, to the great detriment of silk and woollen manufactures in England and the loss and chagrin of the

English merchants trading with Turkey. Silk goods thus came under the schedule of prohibitory import duties in the first decades of the 19th century. It was the English who "first set the Indians on that vast increase of silk worms" in Cossimbazar, where the production increased from 4,000 bales to 22,000 bales of silk per year due to the high prices offered by the competing Dutch, English and French exporters. The English East India Company's training of Indian workers by sending out from England dyers and throwsters also contributed towards the development of the Bengal silk industry and expansion of the silk export trade. Meanwhile the introduction of machinery revolutionised the entire textile industry including calico-printing, and Surrey lost ground in competition with Lancashire. But it took several decades. In 1820 when England imported from India £1·8 million worth of cotton piecegoods there were only 14,000 power-loom in use, employing not more than 7,000 girls as compared with 240,000 workers at hand-loom. It was not till the middle of the 19th century that the great Lancashire power-loom industry could establish its supremacy, considerably helped by the low price of American cotton, the high tariff imposed by England on all Indian cloth and silk imports and the remarkable technical inventions in weaving and printing. Before 1771 England did not produce any cotton cloth at all since the spinners could not make cotton yarns of sufficient strength for the warp, and thus she developed, like Holland and France, the calico-printing industry using the plain white calicoes imported from India. But by 1845 the Lancashire industry became pre-eminent enough to justify the boast of Sidney Smith: "The great object for which the Anglo-Saxon race appears to have been created is the making of calico."<sup>9</sup>

Not merely the Industrial Revolution in England but also the British tariff policy account for the growth and phenomenal development of British cotton manufacture. It is striking that English economists and statesmen became adherents of the doctrine of free trade as the surest way to the wealth of nations after the

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<sup>9</sup> Quoted in P. J. Thomas: 'England's Debt to Indian Handicrafts, *Indian Journal of Economics*, April 1932.



rise of the Lancashire cotton industry through the tariff and prohibition against French goods, Irish woollen goods and Indian silk and cotton imports, and so much under-rated the influence of the tariff for the protection and development of the nascent Indian cotton industry on factory lines in the 19th century. How the Lancashire industry was aided in its growth will be evident from the following schedule of tariffs at the beginning of the 19th century. Muslins paid on importation to England 10 per cent and £27-6-8 per cent for home consumption. Calicoes paid £3-6-8 per cent on importation and £68-6-8 per cent for home consumption. Prohibited cotton piecegoods paid a duty of £3-6-8 per cent on importation and were not allowed to be used in England.<sup>10</sup> On the other hand, English cloth goods could be imported to India on payment of a small duty of 2½ per cent. To secure the position of her infant power-loom textile industry England thus not only prohibited the wear of printed calicoes and gradually increased the duties on imported Indian cloth goods rising up to 80 per cent *ad valorem* but also prohibited the export of cotton tools, machinery and "artificers" to India lest she might be a competitor by renovating her domestic system.

The last fifty years of the 17th century saw the rise to greatness of the English colonial Empire in both North America and India which profoundly reacted upon British business enterprise, trade and industry. The last fifty years of the next century witnessed the Technological and Industrial Revolution with the rise and expansion of the cotton industry in Lancashire, entirely transformed by the application of machinery and the factory system, and dependent upon distant markets overseas that were formerly supplied by India and that England's extensive mercantile marine and powerful fleet could now secure and stabilise. No doubt the influx of wealth derived from trade, confiscation and 'plunder' from Bengal after Plassey (1757) and the English assumption of Dewani (1765) greatly facilitated England's industrial and commercial expansion through the cheapening of credit. England's economic development was

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<sup>10</sup> Robert Brown's evidence before the Select Committee of the House of Lords, 1813.



phenomenal between 1760 and 1815. This period also saw India's quick and prodigious economic decline, although the features of such decline took well nigh a century and a half in India to be definitely established.

One may reckon the beginning of this economic decline from the middle of the 17th century when the Dutch (1655) and the English (1652) obtained from Shah Jahan exemption from all tolls from Surat to all inland centres and from Hooghly or Pipli to Agra and Delhi and reduction of customs duties (1664), along with other privileges that the nationals did not enjoy (whose inland trade thus gradually passed into their hands), and at the same time enforced, like the Portuguese, a system of cartasses or passes for Indian ships *en route*. 1716 saw an extraordinary reduction of customs duties for the English at Surat and in Bengal by a *firman* from Furruckseer, such preferential treatment greatly aiding the transfer of foreign and inland trade from both Indian and Dutch to English hands. 1700, exactly a century after the establishment of the English and Dutch Companies, saw the prohibition of importation of Indian calicoes into England. Protective duties for the English weaving industry against Indian products were gradually raised to about 80 per cent. Other countries of Europe also followed suit to protect their domestic industries. The acme of India's industrial decline was reached in the middle of the 19th century when the export of Indian cotton piecegoods and silk to Europe entirely ceased and raw cotton began to be exported instead. Charles Treveleyan estimated in 1834 that the amount of Bengal piecegoods displaced in the foreign market was about Rs. 1 crore a year and in the home market the displacement was to the extent of about Rs. 80 lakhs. He referred to the gravity of the problem of unemployment of those people who worked up this great annual amount of Rs. 180 lakhs. Seven years later (1841) Laboucherre, Chancellor of the Exchequer in England, observed: "The British have utterly destroyed the manufactures of India by their manufactures. The District of Dacca, the Manchester of India, has dwindled into insignificance before the strides which the British goods have made." By 1846 the tables were completely turned, and India

did not export any cotton goods at all, but had to import from England 213,840,000 yards of cloth, as compared with 51 million yards in 1835 and only 8 lakh yards in 1814. India's de-industrialisation, increasing dependence upon agriculture and the severity of a series of famines for the first time now exposed the weakness of her economic structure due to political dependence.

The epoch, 1600—1800, thus represents at once the golden age of Indian trade and industry and the beginning of her economic downfall that was as sudden as it was complete and unprecedented. This economic downfall was facilitated not only by the European commercial monopoly and embargo against Indian calicoes and muslin that threatened the ruin of woollen and silk industries of Europe but also by the steady depreciation of the value of silver, scarcity of copper and currency confusion introduced by Aurangzeb. The real burden for the agricultural population greatly increased in consequence of the rise of the price of copper relatively to silver. Real wages declined and the artisan groups, who should have normally profited from the expanding trade in cloth goods and other manufactures for a few decades, were ground down by the system of *dadani* advances and the oppression of *gumusthas* in the various European factories. Currency chaos which is undoubtedly one of the causes of the fall of the Moghul Empire continued in India for several decades under the ægis of the English, causing dislocation to trade and industry throughout the country. 1600—1800 were centuries of far-reaching economic and social changes and of political upheavals in India. This monograph will serve its purpose if it draws the attention of Indian historians to the need of a fresh orientation in respect of economic conditions, standards of living, industries and commerce that are more significant for the life of a people than wars and conquests, and of the inter-dependence between political and economic power of a kingdom or empire. The period also witnessed for the first time the influence of naval power and of the control of coastal regions, strategic settlements and maritime communications on the political and economic history of the Asiatic peoples. On a wider panorama the colonial

expansion of the Dutch and the English in Southern Asia in this epoch originated new problems governing freedom of the seas, commercial exploitation and monopoly, tariff and relations with the less advanced peoples that have not yet obtained adequate solution in the interests of world peace and prosperity.

This monograph is based on a series of lectures I delivered to the Indian Civil Service Probationers at Dehra Dun for three successive years. The manuscript has since then been re-written. Different chapters have been published subsequently as articles in the *U. P. Historical Society's Journal*. My thanks are due to Mr. Jagadish Prasad Misra, M.A., Reference Assistant in the University Tagore Library, for help in the preparation of the maps and the Index and unfailing courtesy at all hours during my work in the Tagore Library.

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# The Economic History of India: 1600—1800

## SECTION I

### Agriculture and the Land

#### *Extension of Cultivation in Agra and Oudh.*

The Mughal Power established itself in India by obtaining control of the rich resources of the Ganges valley. Immediately after the battle of Panipat, Babur took steps to secure both Delhi and Agra, then the two most populous centres of Northern India. But the consolidation of the Mughal rule had to wait until the subjugation of Bengal which was considered in the past as 'the paradise of India.'

The Ganges plain is one of the world's most ancient zones of human settlement and culture. But even in the 17th and 18th centuries large parts were still unoccupied and covered with jungle. There was a great expansion of both population and agriculture in the period of peace and consolidation ushered in by the Mughal Empire. But such expansion was sporadic, confined only to a few centres of settlement in the Ganges valley. Starting from the north-western portion of the Ganges valley, the major centres were Delhi, Agra, Ajodhya, Prayag, Jaunpur, Benares, Sasseram, Patna, Rajmahal, Burdwan, Vikrampur, and Tipperah.

A study of the economic progress of the Upper Doab and the eastern districts of the United Provinces during the last four centuries reveals the fact that the eastern districts have far outstripped the more slowly moving Doab. In Akbar's time almost the whole cultivable area in the Upper Ganges-Jumna Doab was under cultivation. The density of cultivation found in the Upper Doab extended across the Ganges, but by no means so far as it extends at present; and, where the forest line was approached, the

density rapidly fell away until cultivation became, as it were, an affair of outposts. In the eastern districts, on the other hand, the area cultivated was small, and there were great forests. Moreland has instituted an interesting comparison between Abul Fazl's figures and present-day district statistics.<sup>1</sup> The probable district figures he gives are as follows:

### *Upper Doab*

		Akbar's Area (in thousands of bighas)	Present Area	Increase
Meerut	...	2,310	2,600	slight
Saharanpur and Muzaffarnagar	...	3,428	3,640	
Bulandshahr	...	1,271	2,100	nearly two-thirds
Aligarh, etc.	...	2,311	2,970	over one-fourth
Etah (part)	...	911	936	slight

### *Rohilkhand*

Bijnor (part)	...	582	1,085	nearly double
Moradabad (part)	...	1,649	1,670	slight
Badaun, etc.	..	1,776	2,700	one-half
Bareilly	...	661	1,320	double

### *Eastern districts*

Benares and Mirzapur (portions)	...	257	1,085	four-fold
Azamgarh	...	250	1,950	nearly eight-fold
Jaunpur	...	360	1,515	four-fold
Ghazipur and Ballia...		318	2,125	nearly seven-fold
Allahabad (North)	...	216	835	nearly four-fold

A comparison between Akbar's and Aurangzeb's mahals and areas in bighas in the Agra Province is given below:—

		Akbar	Aurangzeb
No. of Sarkars	...	13	13
No. of Mahals	...	13	12
Area in bighas ('000 omitted)		27,862	55,879
Revenue ('00,000 omitted)		5,447 dams	10,517 dams

<sup>1</sup> The Agricultural Statistics of Akbar's Empire, *The Journal of the U.P. Historical Society*, June, 1919.

In Allahabad and Oudh the increase of cultivation was as follows between Akbar's and Aurangzeb's times (according to the *Khulasat*):—

Sarkars	Area in Bighas (omitting '000)	
	Akbar's Time	Aurangzeb's Time
Allahabad	573	1,553
Benares	36	453
Jaunpur	870	5,451
Chunar	106	740
Ghazipur	288	1,733
Karraha	447	1,417
Oudh	2,796	4,383
Gorakhpur	244	5,304
Bahraich	1,823	2,752
Khairabad	1,987	6,546

In Agra the largest increases in the cultivated area were recorded by Kalpi and Nurwar; in Allahabad and Oudh by Benares, Jaunpur, Chunar, Ghazipur, Gorakhpur and Khairabad. In Agra the revenue demand rose from 5,447 lakhs of dams to 10,517 lakhs. In Allahabad, the revenue increased from 2,100 lakhs of dams to 4,367 lakhs; and in Oudh from 2,034 lakhs to 3,201 lakhs. There is no doubt that even in Akbar's time wild animals were prevalent in areas in Agra, Allahabad and Oudh which are now thickly populated. Akbar hunted wild elephants in Agra and tigers in Muttra. In the district of Muttra, as late as the final quarter of the eighteenth century, the forest of Barsana played an important part in the battle between the Imperialists and the Jats. Sleeman's descriptions similarly show the wide extent of forests in Oudh as late as the middle of the nineteenth century.<sup>2</sup>

Along the Ganges, from Benares to Allahabad, and also in Jaunpur the increase of cultivated area is about four-fold, while towards the Gogra it is seven or eight-fold. Wild elephants roamed in Karraha in the district of Allahabad in Akbar's time. From Jaunpur to Allahabad a distance of 30 kos, Finch (1608—1611) passed "thorow a continuall forrest" in the first decade of

<sup>2</sup> *A Journey through the Kingdom of Oude* (1858) mentions "twenty-four belts of jungle beyond the Terai forest, and in the fine climate of Oudh covering a space of 886 sq. miles at a rough computation."

the 17th century. Similarly the *Akbar-Nama* (Vol. 2, p. 396) mentions that on the march of an army along the southern bank of the Gogra in what is now Azamgarh district, "forests were traversed and various wild beasts, both land and aquatic, showed themselves." In Chunar and Kalinjar at the time of Akbar and Aurangzeb there were forests where wild elephants roamed according to the evidence of both the *Ain-i-Akbari* and *Khulasat-ul-Tawarikh*. The entire district of Ghazipur was covered with jungle occupied by herds of elephants and rhinoceroses. When we cross the Gogra the change from Akbar's time to the present day is still more pronounced. We have figures for the two districts of Gorakhpur and Basti, which are conveniently treated as a single block; the exact area assessed is doubtful, but cultivation has increased at any rate 17-fold, and more probably 40-fold, a figure which would indicate almost continuous jungle with outposts of cultivation at rare intervals, and at most a very narrow strip of settled country along the northern bank of the Gogra. Even at the beginning of the 19th century Haveli was almost entirely covered with jungle as also the greater part of Sidhua Jobna parganah in the district of Gorakhpur.

### *Transformation of Cropping.*

More remarkable than the extension of farming was the transformation of cropping and agricultural practice since the Mughal times. It was the canals constructed during the 19th century which introduced sugarcane and wheat on the existing scale of cultivation into the Upper Doab.<sup>3</sup> In Akbar's time this region, on account of the deficient rainfall, resembled the plains of Central India, with great expansion of dry cropping, broken by oases of garden cultivation in places where efficient wells were possible, or a stream lent itself to utilisation by the indigenous methods. Agra, for instance, had a large number of wells, which were dug in summer according to Pelsaert, a Dutch merchant who lived here at the time of Jahangir. The bulk of the land must have yielded the ordinary low-grade crops, millets and

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<sup>3</sup> *Descriptive and Historical Account of the N. W. P.* (1881), Vol. VI, p. 286.



pulses, oilseeds and some barley. Pelsaert mentions rice, indigo, bajra, kangni, urd and mung as kharif crops and wheat, barley, gram and oil-seeds as rabi crops.<sup>4</sup> Bernier similarly describes the neighbourhood of Delhi as extremely fertile, but producing corn, sugar, indigo, rice, millet and three or four other kinds of pulses, the food of the common people. Between Agra and Delhi he came across a good deal of well irrigation. "Wells are also frequently met with, affording drink to travellers and serving to water the young trees."<sup>5</sup> Reference may be made here to the canal 30 imperial kos long, constructed by Firoz Shah from Khizrabad to Safidun. As this fell into disrepair it was re-excavated by Shahabuddin Ahmad Khan "to fertilise the places in his jagirs." Later on Shah Jahan caused the canal from Khizrabad to Safidun to be repaired and a new channel excavated from Safidun to Delhi, which was a distance of another 30 imperial kos.<sup>6</sup>

Wheat which is at present the most important crop of this tract representing about 18 per cent of the total cropped area in the U. P. could hardly have been grown in the Mughal age. This is probably the explanation of the fact recorded by travellers, among them Sir Thomas Roe, that Jahangir's court obtained wheat from Bengal. It is scarcely conceivable that wheat should have been carried so far unless the country close to Agra was unable to supply all that was needed.

Cotton is also a new crop which has extended in recent times; but a rich and heavy-yielding crop, sugarcane, which had been grown until the middle of the 19th century in Muttra, Etawah, Fatehpur and Allahabad, has declined, or is not grown at all. Here and there in raviny tracts or near house-sites, ancient cane-crushing mills of stone lie half-buried, evidence of a gradual desiccation which has bereft the region of its former prosperity. Sugar of extreme whiteness was manufactured in Aurangzeb's reign at Biana in Agra district, and a famous kind of sugarcandy

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<sup>4</sup> *Jahangir's India*, edited by Moreland, p. 48.

<sup>5</sup> Bernier: *Travels*, p. 226.

<sup>6</sup> *Shahjahan-Nama* in Elliot and Dowson, Vol. VIII, p. 86.

at Kalpi near Jalaun. In other districts, however, the cane-growing area has increased, and, since the construction of the Sarda canal, has nearly doubled in the U. P. as a whole. Sugarcane now occupies about 3·6 per cent of the total cropped area of the Province. Another crop which has disappeared is indigo, mentioned as growing of the finest quality in Agra, especially Biana, and in Khurja.

In Oudh, extending in the Mughal days from Kanauj in the west to Gorakhpur in the east and from the Himalayas in the north to a place called Sadhur (probably Siddhaur in Barabanki), excellent rice was being produced, "matchless for whiteness, delicacy, fragrance and wholesomeness." Such is the description of the *Khulasat* which probably refers to Gorakhpur rice. It was sown three months earlier than in other parts of India. Game was plentiful, the description concludes. There was annual inundation which drove the wild beasts to the human habitations, indicating that much of Oudh was unoccupied at the beginning of the 18th century.

One of the important cash crops introduced in Mughal India by the Portuguese was tobacco which seemed to have been first grown in Gujarat where the tobacco leaf could be obtained in 1613. Tobacco cultivation spread within a few decades to all parts of India, and was especially important in Bihar and Bengal by the beginning of the 19th century.

In the Deccan Nuniz (who came to this part of India in the 14th century) mentions wheat and gram, rice and millet as the crops grown, of which "this last is the grain which is most consumed. Next to it is the betel which people always eat and carry in their mouths."<sup>7</sup> Khafi Khan also mentions that jowar and bajra, which are autumn crops, were the main support of the people of the Deccan, while rice was the principal food of the people of Haidarabad.<sup>8</sup> Cotton was mentioned by Thevenot as being grown everywhere, and sugar in some places.

The density of cultivation in the eastern districts of the

<sup>7</sup> See Sewell: *A Forgotten Empire*, p. 386.

<sup>8</sup> *Muntakhabul-Lubab* in Elliot and Dowson, Vol. VIII, p. 328.

United Provinces has now equalled that of the western after a lapse of nearly three centuries, during which there has been a phenomenal expansion of agriculture and population. By the beginning of the 19th century, Francis Buchanan (1808—1815) described that wheat and barley were grown in considerable quantities in Gorakhpur, exceeding rice in many divisions. Well irrigation, however, did not much develop at that time, fields being watered from rivers, canals, tanks and marshes. It is interesting to note that in a district where cane has phenomenally expanded in recent years it covered only 1600 acres, and date-palm and mahua were grown for the saccharine juice, when Buchanan reported. Not merely the percentages of irrigated and double-cropped areas to the total net-cropped area have exceeded those in the western divisions, but the progress of agriculture and increase of population are now accelerated. The Ganges-Gogra Doab, in particular, whose development is quite recent, has shown a surprising record. The older alluvial districts, whose prosperity leaped into prominence with the introduction of the canal system, at present show but slight increase of total net-cropped area since Akbar's days. Surveying several centuries we find on the whole that the advantages of rainfall and well irrigation, coupled with an arranged succession of leguminous crops with rice, contribute to higher agricultural prosperity and greater density of population than the western districts can attain. In spite of the spell of progress introduced by canal irrigation, these latter districts are now being left behind. Within the last few centuries deforestation as well as increase of ravine and alkali lands have reacted unfavourably upon the soil's fertility in the older alluvial tracts. It is probable also that the rainfall has become more deficient and more unevenly distributed than before. Thus the progress of the eastern districts is due to more economic causes than one.

#### *Agriculture in Bihar in Mughal Times.*

It would appear that from Akbar's time down to the 19th century the marvellous system of well irrigation now distinctive of the eastern districts of the U.P. was unknown in Bihar and consequently rice, marua and millet were as important as the rabi

crops such as wheat and barley while maize also was unimportant. On the whole, however, more valuable crops were grown and both revenue and productivity were greater in Bihar than in the U. P. in spite of the fact that well irrigation did not extend much, and the area under cultivation did not exceed more than one-fifth for the province as a whole as compared with more than two-thirds at present. Wheat, sugarcane, cotton, rice and opium were the principal crops in Bihar in the Mughal days, the first two crops being the most important. The poor people eat khesari, according to the *Khulasat*, which also mentions sugarcane as growing in plenty. A bigha near Jaunpur, Benares or Patna yielded on an average as much as two bighas between Agra and Saharanpur at the time of Akbar, according to Moreland's estimate.<sup>9</sup> But a large part of North Bihar, now one of the most heavily populated regions in India, was full of jungle. In Tirhut, the *Khulasat* records, the deer, elk and tiger used to come down together to the human habitations as in Oudh. Even until the beginning of the 19th century, a large portion of the districts of Champaran, Muzaffarpur and Darbhanga, amounting probably to half of the aggregate area and in the north probably two-thirds, was uncultivated. Agricultural development began here in relatively recent times except in the southern tract bordering on the Ganges. Patna and Shahabad greatly extended their acreage under cultivation, rice being the most important crop and wheat, barley and indigo coming next. Agriculture is excellent in Bihar, records the *Khulasat*; especially the shali rice is unparalleled for goodness and excellence. South Bihar, on the other hand, extended its cultivation a great deal by the end of the eighteenth century. It was in South Bihar that the Pathans had their kingdom, rich in agricultural resources. Indeed, it is probable that the spell of agricultural prosperity of South Bihar was due in large measure to the agrarian reforms and stable administration of Sher Shah and other Sur kings. Thus in 1795 Saran's total revenue amounted to more than double the figure fixed by Todar Mall in 1582. Buchanan speaks of sugar and tobacco being the important exports of Saran district.

<sup>9</sup> Moreland: *India at the Death of Akbar*, p. 122.

It would appear on the whole that under the stimulus of population pressure the eastern districts of the United Provinces resorted to intensive irrigation and farming more early than the adjoining districts in Bihar, which only recently have been extending facilities of irrigation from wells, tanks and private canals for the cultivation of wheat, sugarcane and rice. Besides already by the beginning of the 19th century, according to the report of Buchanan, the landlords were neglecting to repair the private reservoirs and canals in their estates, and Shahabad for this reason showed a diminution of rice cultivation. This neglect became notorious towards the end of the 19th century. In Bihar where the rainfall is more favourable and the humidity greater than in the U.P., the more favourable conditions of agriculture will within the coming decades lead to a greater expansion of agriculture and population than in the western portions of the plain, such expansion being now manifest in the low-lying plains and swamps of the north at a distance from the Ganges. The riparian tracts both in North and South Bihar were filled up to the brim in the course of the 19th century, and by 1891 the limit of extensive cultivation was reached in the districts of Saran, Muzaffarpur and Darbhanga as in the contiguous districts in the United Provinces, and the symptoms of over-population are now clearly discernible. The decadence of some riparian tracts has now led to the shift of population in North Bihar to the rice-growing regions at a distance from the rivers. North Bihar has also suffered a great deal due to the changes of river courses during the last century, and in recent times the seismic disturbances have emphasised agricultural decadence due to the meandering of the northern rivers.

*The Wildernesses of Bengal in the 17th century.*

Western Bengal had already possessed a dense population by the 16th century; while some of the most heavily populated parts in Eastern Bengal were swamps and wildernesses during Akbar's time. A large portion of the districts of Jessore, Faridpur, Noakhali and Bakarganj was full of forests and swamps, inhabited by wild buffaloes, rhinoceroses and tigers till

late Mughal times. Akbar's sircars of Mahmudabad and Khalifatabad, comprising Faridpur, Jessore, Khulna, Noakhali and Western Bakarganj, were covered with dense jungle. When Khan Jahan Ali arrived in Central Bengal in the 16th century, South-West Jessore was full of forests. It was he who first began the reclamation of the Sunderbans. In the *Khulasat* (1695) we read that wild elephants roamed over the forests of Khalifatabad. Even in 1873 the northern limit of the Sunderbans omitting recent clearances was much the same as in the 15th century as can be judged from the list of mahals in sircars Satgaon and Khalifatabad and Portuguese and Dutch maps. Most Europeans from Ralph Fitch (1583—91) to Rennell (1781) found large parts of Bengal full of jungle and marsh.<sup>10</sup> Some parts of Eastern Bengal, however, such as Vikrampur and Sabhar in Dacca district or Karmanta and Patikara in Tipperah were centres of high density, dating ten centuries back respectively. The eastward march of the Padma, the silting up of the Nadia rivers and the shift of the great rivers eastward in the estuary south of Noakhali and west of Chittagong are chiefly responsible for the enormous fluctuations of agriculture and population in the Delta since the middle of the last century.

*The Mughal District Officer and the Peasantry.*

The phenomenal expansion of the cultivated area in the Mughal Empire from Akbar to Aurangzeb was encouraged by the district officers or Amins or Amal Guzars. It is true that inducements and encouragements such as rewards and variations of the mode of assessment were used but there was no doubt that pressure was exerted on the bulk of the peasantry. In Rai Bhar Mal's eulogy on Shah Jahan we read that the imperial expenditure multiplied four-fold, yet treasure was amassed at an unprecedented rate, because the revenue rose very largely, owing, amongst other things, to the Emperor's "attention to the improvement of agriculture and the collection of the revenues of the State." The imperial devotion to the improvement of agriculture

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<sup>10</sup> For a description of the stages of settlement in Bengal, see my *The Changing Face of Bengal*, pp. 123—135.



should be considered in the light of the instruction given in Aurangzeb's *farman*: "At the beginning of the year, inform yourself so far as possible about the condition of every peasant, and whether they are engaged in cultivation or are abstaining from it. If they have the means to cultivate, ply them with inducements and encouragements, and show them any favour they may desire. But if it be found that, in spite of having means to cultivate and of a favourable season, they are abstaining from cultivation, then you should urge and threaten them, and make use of the force and the whip (*zarab*).” The commentary adds here: threatening, beating, chastisement are ordered with this view that as the king is the owner and always likes mercy and justice it is necessary too that the ryots should according to their own custom make great exertions to increase the cultivation so that the signs of agriculture may daily increase. This thing is the cause of the gain of the State and the benefit of the ryots.<sup>11</sup>

The use of force, beating and the whip for extension of cultivation was more and more resorted to as the district officer's reputation began to depend mainly on an immediate increase of revenue. References in the *farmans* to the peasants absconding and the direction to the Amin to induce them to return or to replace them indicate the prevalence of flight. Manucci also mentions that the people of the country in order to avoid hardship "are always moving from one province to another though it be within the same kingdom." Similarly, Careri, an Italian traveller who came to India in 1697, mentions that "the poor peasants have sometimes the land they have cultivated taken from them and that which is untilled given them in lieu of it; besides that they are obliged every year to give the king three parts of the crop." Such is the result of "the Great Mughal being Lord of the Land."<sup>12</sup> Bernier (1656—1658) stated in his *Letter to Colbert* that in the Mughal Empire as he knew it the ground was seldom tilled except under compulsion, and that land lay waste

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<sup>11</sup> Sarkar: The Revenue Regulations of Aurangzeb, *J.A.S.B.*, Vol. II, 1906.

<sup>12</sup> *A Voyage Round the World*, Book II, Chap. V, p. 247.

for want of peasants, many of whom died through ill-treatment, or fled to the towns, the camps, or the dominions of some Raja. Manucci (1656—1717) corroborates the description of Bernier. He mentions that ordinarily Rajas and kings appoint fresh officials from the Court every year to lease out the village lands. They compel the peasants to cultivate the land at a certain rate and give them some advance for cultivation. The cultivator is not free to remove elsewhere. When the harvest is ready the officials proceed to the spot and make the cultivators agree to give a half or a third more than they have contracted for at the beginning of the year. If they do not agree they find themselves equally ruined, for they are compelled to buy the king's share at much higher than the market price. Manucci concludes, "nothing is left to him to maintain his family, seeing that they are obliged to enter every year into new engagements in order to get a subsistence for their family and obtain fresh supplies." On the other hand, the officials who are sent into the provinces to collect rent are themselves seized and tortured on the assumption that they must have embezzled to which, adds Manucci, there need be no doubt.

Instructions were given to the Amil to encourage the substitution of superior for inferior cereals as well as to secure the cultivation of all arable land and reclamation of *banjar* land. But it is difficult at this stage to estimate the relative effects of these on the expansion of revenue.

### *The Revenue System from Akbar to Aurangzeb.*

The changes in the revenue system since Akbar's days may now be briefly indicated:

(1) In the Mughal age the state dealt directly with the cultivators. The imperial instruction was that the revenue collector should "deal with every husbandman, present his demand, and separately, and civilly receive his dues," and that he should "stipulate that the husbandman brings his rents himself at definite periods so that the malpractices of low intermediaries may be avoided." The tenant class which today forms a considerable section of the agricultural population hardly existed



in Akbar's time. Under Akbar each individual cultivator was assessed by the state on his crops of the season, the area being determined on the spot and the revenue fixed by the application of cash rates representing the average value of one-third of the yield of the land. These cash rates were designated *Dahsala*, being based on the actual figures for ten years. *Metayage* or crop division was also continued.

(2) Under Aurangzeb the Amin assessed the bulk of the villages and the parganas at the beginning of every year on consideration of the produce of the normal year, the culturable area, the condition and capacity of the ryots and other factors. And, says the *farman*, if the ryots of any village do not agree to this procedure, the Amins fix the revenue at the time of harvesting by survey or estimated valuation of crop. And in some of the villages, where the cultivators are known to be distressed and deficient in capital, they follow the practice of division of crops (*Ghalla-bakshi*) at the rate of one-half, one-third, two-fifths, or more or less. Aurangzeb's assessment was thus largely a summary procedure.

(3) Under Akbar this summary assessment (*Nasaq*) was abolished on the specific ground that it might confer undue authority on high-handed officers. But in Aurangzeb's regime *Nasaq* became the rule.

(4) While Akbar aimed at obtaining the value of one-third of the gross produce, the standard was moderately enhanced under Jahangir and became one-half under Shah Jahan and Aurangzeb. The mention of rates of one-half or two-fifths of the produce as revenue even in the case of the peasants who are "poor" and who "lack capital," indicates that by Aurangzeb's time the pitch of revenue was raised. To what proportion of the cultivated area was the higher revenue rate applied, is, however, indefinite. Manucci and Ovington have recorded that the state's share in Aurangzeb's time was one-half of the produce. De Jongh mentions that the share of the state was three-fourths of the gross produce in Ahmedabad, while Van Twist specifies one-half and sometimes three-fourths as the share of administration in Gujarat. One-half of the gross produce of the land seems to have been the

standardised rate of land revenue in the 17th century. It is, however, possible that since the minimum and maximum demands were laid down the share of the state in the cases of the best and middling-class lands was much less than one-half in the actual working of the revenue regulations; while in the case of the worst pieces of land the state's share amounted to about half of the produce. Where well irrigation was in vogue, as in Berar, involving much expense and toil of the cultivators, the revenue assessment varied from one-third to one-fourth of the produce. Elsewhere in the same province where cultivation depended upon rainfall the state obtained half of the produce. In 1605 the total revenue collections from 15 Subas amounted to seventeen crores of rupees. 43 years later the revenue had risen from seventeen to twenty crores of rupees, while the crown lands supplied Shah Jahan's privy purse with three crores or three and a half million pounds sterling.<sup>13</sup> In many regions the cultivators got no profit in return for their labour and it became consequently difficult for the land to get cultivated. This is the evidence of Van Twist (1638) from Gujarat where one-half of the crop was the prescribed revenue. De Laet has also recorded that cultivators were compelled to change their holdings every agricultural season either because the state required them to do so or the holding was to be transferred to other persons. Many cultivators were reduced by excessive assessments to sell their wives and children to slavery and permanently abandoned their villages.

(5) It appears that the village community was not altogether disintegrated in Aurangzeb's time. We obtain a description from Manucci according to which cultivators forming the village community entertained the village watchmen and paid them punctually certain annual contributions.<sup>14</sup> Similarly De Jongh (1628) describes the agrarian system of Gujarat thus: "Land is divided among cultivators in the following manner: Anyone wishing to sow land, goes to the headman of the village, called Mockedom (Muqaddam) in their language, and asks permission to cultivate as much land as he wishes to sow, and in such place

<sup>13</sup> J. N. Sarkar: *Studies in Mughal India*, p. 16.

<sup>14</sup> Manucci, Vol. II, p. 52.

as is convenient to him, which permission is seldom refused, and almost always granted. Since, of the cultivable land, not one-tenth is sown, everyone can get as much land as he wants, and (land) of his choice, and he may sow as much land as he can cultivate."<sup>15</sup> But on the whole the collective apportionment of the revenue seemed to have disappeared. Revenue in Mughal India was collected direct, as far as possible, from each individual *ryot*. No doubt the *ryotwari* system can be worked without the oppression of officials only where the strong arm of the law protects the individual cultivator. As a matter of fact the reiteration in successive imperial *farmans* of the abolition of various miscellaneous cesses and taxes indicates that in all probability the cultivators were not released from these burdens; while officials and *jagirdars* used also to seize the cultivator's land for cultivating it themselves or transferring it to some other party as soon as they got an opportunity to evict him.

(6) By the middle of the 17th century the practice of 'farming' the revenue became established. We come across the system of assignment in both Akbar's and Jahangir's reigns. On *jagir* lands the *jagirdars* were to dig reservoirs, wells and water courses in order to reclaim the country and induce a few settlers to reside and also to erect *serais* and *masjids*. On *khalsa* lands the state undertook the same work but at a later period it relieved itself of this burden and placed it on the shoulders of the unfortunate landlords.<sup>16</sup> Besides, the *jagirdars*, unlike the modern absentee landlords, were under the obligation of maintaining law and order and of supplying to the Emperor a specified force of cavalry whenever it was needed for defence and conquest. Abul Fazl records that many wells and reservoirs were dug for the benefit of men and improvement of the soil, and that the *faujdar* was "to store for himself a goodly reward in the making of reservoirs, wells, water-courses, gardens, *serais* and other pious foundations." The assignees as servants of the Moghul Emperor had their definite economic and political obligations. Changes of assignments were, however, frequent and as the assignee endeavoured

<sup>15</sup> Quoted by Brij Narain in *Land as an Investment*.

<sup>16</sup> Price: *Memoirs*, p. 90.

to make hay while the sun shines and to extract more than the normal yield of his grant the effects on the peasantry were devastating. William Hawkins (1608—13), himself a grantee under Jahangir, describes these as follows "A man cannot continue half a year in his living, but it is taken from him and given unto another; or else the King taketh it for himself (if it be rich ground, and likely to yield much), making exchange for a worse place; or as he is befriended of the Vizir. By this means he racketh the poor, to get from them what he can, who still thinketh every hour to be put out of his place."<sup>17</sup> Similarly we have Bhimsen's description at a later period of rival *jagirdars'* agents or successive agents of the same *jagirdar* exploiting the peasantry. "There is no hope of a jagir being left with the same officer next year. When a *jagirdar* sends a collector to his *jagir*, he first takes an advantage from the latter by way of loan. This collector, on arriving in the village, fearing lest a second man who had given a larger loan to the *jagirdar* was following (to supplant him), does not hesitate to collect the rent with every oppression. The ryots have given up cultivation; the *jagirdars* do not get a penny."

The uncertainty and the political disorder of the times encouraged many *jagirdars* to defy the local Viceroys whose power and income fast deteriorated and they began to collect revenues themselves in their *jagirs* with every kind of oppression. Not merely the bigger chiefs and nobles but the headmen of subdivisions and villages began to convert themselves into land-holders throughout the 18th century. Thus as a considerable portion of the peasants was placed under farmers, assignees and headmen, the modern zemindary system was entrenching itself even though Abul Fazl's rules for the guidance of collectors of revenue explicitly mentions that the assessments should be received direct from the cultivator and so intermediaries avoided. Revenue administration in India assumed features even in the early years of Aurangzeb's reign much akin to those which the British encountered when the country changed over to their suzerainty.

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<sup>17</sup> *Purchas His Pgrimes*, I, iii, 221.

## SECTION II

## Population and Prices

*The Land is Over-stocked with People.*

It is difficult to estimate India's population growth in the 17th and 18th centuries. At the death of Akbar (1605) Moreland estimated that India's population stood roughly at 100 millions. In 1750 India's population, according to some estimates, was 130 millions. It took 150 years from Akbar to the battle of Plassey for the population to increase by 150 millions. But the population increased by another 150 millions—from 202 to 353 millions—between 1873 and 1933. Population increase in the Mughal Empire was not heavy though many regions were already "extremely populous," as Manucci found them. He naively adds: "Everybody of both sexes marries and a considerable number of men take more wives than one."<sup>18</sup> Similarly, about the Deccan, Niketin observed early in the 15th century that "the land is over-stocked with people; those in the country are very miserable while the nobles are extremely opulent and delight in luxury." On the other hand, there were a series of famines in the 17th and 18th centuries which reduced population in several provinces. A list of these famines is given below:—

Famine years	Area Affected
1595—93	Whole of India
1614-15	Punjab as far east as Delhi
1618-19	Coromandel Coast, Vijayanagar
1630-32	Vijayanagar, Deccan, Gujarat and Sind
1633-34	Deccan, Gujarat
1635	Surat, Golconda
1642-43	Orissa and Bengal
1645-46	Coromandel Coast, Southern section
1647	Rajputana
1648	Coromandel Coast
1650	Oudh, Gujarat and almost the whole of India

<sup>18</sup> *Storia do Mogor*, Vol. 2, p. 51.

Famine years	Area affected
1659	Sind and Gujarat
1661	All parts of India
1670-71	Bihar
1705-08	Deccan
1709-11	Scarcity about Madras and Bengal
1717-18	Coast and Bay districts, Ahmedabad and Surat
1722	Bombay
1728	Madras and Bombay
1731-34	Madras
1737	Madras
1747	Bombay, Surat, Ahmedabad, Aurangabad
1769-1770	Bengal and Bihar
1782	Bombay, Mysore and Madras
1783-84	Northern India from Multan to Murshidabad
1790-92	Hyderabad, Deccan, Gujarat and Northern Madras.

### *The Stages and Incidence of Famines.*

The aggregate mortality of these famines is difficult to estimate. But in the famines of 1630-31 in Western India and the Deccan, of Gujarat in 1650, and of Bengal and Bihar in 1769-70 millions must have died. From the descriptions of the Mughal chroniclers and of such European travellers as Van Twist, Peter Mundy (1630—32) and John Marshall (1672) the following stages of famines are noticeable:

(1) Celestial influences are unpropitious and astrologers announce dearth and scarcity (*Akbar-Nama*).

(2) Failure of rains so that seeds sown are lost and no grass grows.

(3) Mortality among cattle.

(4) Abandonment of towns and villages by men who wander with their whole families helplessly.

(5) Men desert their wives and children, women sell themselves as slaves, mothers sell the children, children deserted by their parents sell themselves. The prices of children are, according to Peter Mundy, 12d., 6d., and (?) pence a piece. Slaves

can be bought for 4 as. to 8 as. per piece, and good ones for 1 rupee per piece. A great number can be purchased for next to nothing, according to John Marshall. Speaking of the famine a hundred years later (1770) Hari Charan Das writes: "It is said in Bengal and Azimabad that about 3,700,000 men were starved to death; and many sold their sons and daughters for grain, or for 4 or 8 as. per piece."<sup>19</sup> Life is offered for a loaf but none would buy. Rank is to be sold for a cake, but none cares for it.

(6) Horses and cows feed upon the bark of trees.<sup>20</sup> The common people feed on the seeds of the thorny acacia, on dry herbage of the forest and on the hides of the cattle which the wealthy slaughter and sell.<sup>21</sup>

(7) For a long time dog's flesh is sold for goat's flesh and the pounded bones of the dead mixed with flour and sold. (*Badshah-Nama*).

(8) Men feed on corpses and on living men so that even in the streets and still more on road journeys men run great danger of being murdered and eaten. "They form themselves into parties to carry off solitary individuals for their food." (*Akbar-Nama*).

(9) Human flesh is sold in the open markets.

(10) Mortality from actual starvation is incalculable and is followed by mortality from pestilence and fever.

(11) Public soup kitchens or alms houses are opened, money distributed to all cities and efforts made to distribute surplus grains from other regions. Every day sufficient soup and bread are prepared to satisfy the wants of the hungry. A lakh of rupees was given away in charity at Burhanpur, and half a lakh ordered to be distributed at Ahmedabad among the famine-stricken people by the Emperor, Shah Jahan (*Badshah-Nama*). But relief is limited by the difficulty of movement of pack animals through regions without fodder and water in numbers adequate to the situation, by the location of the Mughal armies, which

<sup>19</sup> *Chahar Gulzar Shujai*, in Elliot and Dowson, Vol. VIII, p. 229.

<sup>20</sup> *Tabakat-i-Akbari*, Elliot and Dowson, Vol. V, p. 384.

<sup>21</sup> *Tarikh-i-Badauni*, Elliot and Dowson, Vol. IV, p. 490.



intercept all the food grains and by the rich and the strong “engrossing and taking perforce all to themselves.”

(12) Imperial taxes are remitted temporarily and reductions also made by nobles who hold *jagirs* and *mansabs*. The amount of remission of taxes was estimated at Rs. 70 lakhs or Rs. 80 crores of *dams*, which represented one-eleventh of the total land revenue. The Emperor's (Shah Jahan's) remissions in the crown lands were expected to be followed up by similar remissions from holders of *jagirs* and *mansabs*. Aurangzeb ordered the remission of the following taxes: *rahdari* (toll) which is collected on every highway frontier and ferry; *pandari*, a ground or house cess paid by every tradesman and dealer, from the butcher, the potter and the green-grocer to the draper, jeweller and banker; the tithe of corn; and various other imposts, nearly eighty in number. But the imperial prohibition has no effect. *Faujdars* and *jagirdars* in remote places continue to collect the abolished imposts and even increase them.<sup>22</sup>

(13) The recovery of the region from the famine is slow and gradual. “Those lands which were famous for their fertility and plenty retain no trace of productivity.” “The villages fill but slowly, yet it betters with them also; and if the excessive tyranny and covetousness of the Governor of all sorts would give the poor people leave but to lift up their head in one year's vacancy from oppression, they would be enabled to keep cattle about them, and so to advance the plenty which the earth produces,” thus observed Methwold at Surat.

Devastating famines were recurrent in India until the beginning of this century. Cannibalism, slavery and appalling mortality were the normal features of a famine, showing the complete lack of economic surplus of the masses and apathy or helplessness of the administration. The dread of a drought and, in the case of Bengal, of excessive rainfall and flood haunted the minds of the people of India like a relentless nightmare. As late as 1770-71 cannibalism and slavery followed the course of the famine in Bengal. Multitudes perished of hunger,

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<sup>22</sup> *Muntakhabul-Lubab*, Elliot and Dowson, Vol. VII, p. 248.



while children were offered for sale but there were no buyers. The Resident at the Durbar, Murshidabad, reported on June 1770: "The scene of misery that intervened, and still continues, shocks humanity too much to bear description. Certain it is that in several parts the living have fed on the dead, and the number that has perished in those provinces that have most suffered is calculated to have been, within these few months, as six to sixteen of the whole inhabitants." One may appropriately end the subject by a quotation from John Shore, afterwards Lord Teignmouth, who landed in Calcutta at the beginning of the famine and wrote the following lines in poetry, touched as he was by the misery he saw around him:

'Still fresh in memory's eye the scene I view,  
The shrivelled limbs, sunk eyes, and lifeless hue;  
Still hear the mother's shrieks and infant's moans,  
Cries of despair and agonising moans,  
In wild confusion dead and dying lie;—  
Hark to the jackal's yell and vulture's cry,  
The dog's fell howl, as midst the glare of day  
They riot unmolested on their prey!  
Dire scenes of horror, which no pen can trace,  
Nor rolling years from memory's page efface.'<sup>23</sup>

#### *Normal and Famine Prices.*

Illustration of famine prices is afforded by the fact that while the normal price of wheat was 80 or 85 lbs. per rupee, the English factors in Surat were buying wheat in November 1630 at the rate of  $13\frac{3}{4}$  lbs. and in September, next year, at about 6 lbs. per rupee. At Patna on August 20, 1671 rice was selling at 5 seers per rupee or Rs. 8 per maund, and was "very scarce to be bought for that price." This was the record in John Marshall's Diary. Earlier Thomas Bowrey reported in 1670 that one Patna seer weight of rice was sold for Re. 1; the seer containing only

<sup>23</sup> *Memoir of the Life and Correspondence of John Lord Teignmouth*, by his son (1843), Vol. I, pp. 25-26.

27 ounces and in a few months there was none at all to be had at that rate. In ordinary years Re. 1 could buy 1 to 2 mds. of rice. De Graaf who visited Patna in November 1670 observes: "Rice costs half a rix dollar for 6 seers or 916 Dutch weight, while in ordinary years 60, 70 or more lbs. could be bought for the same amount." In the famine of 1710 coarse rice was selling at 1 maund 10 seers per rupee. Another instance of famine prices may be adduced. Rice sold in Bengal in the middle of the 18th century at the rate of 2 to 3 mds. per rupee. During the famine in Bengal in 1751 rice was selling at 1 maund 16 seers for Rs. 2. 8 as. Again, in the famine in Bihar and Bengal in 1770-1771 "in places where 4 maunds of grain had been sold for a rupee, even 4 seers were not to be obtained for the same money."<sup>24</sup> Or, again, we read that in July 1770 rice was selling at only 3 seers for a rupee within 30 miles round the city of Murshidabad, then vying with London in its population and prosperity. "Other grain is selling (at high prices) in proportion; and even at those exorbitant prices there is not nearly sufficient for the daily supply of half the inhabitants."

#### *Trend of Wages of Ordinary Labourers.*

The wages of the workers may now be briefly examined through the centuries. The *Ain-i-Akbari* mentions two and three *dams* per diem as wages for ordinary labourers. One *dam* was the wage rate for slaves. Two *dams* make about 4 pice. (In the *Akbar-Nama* we find that a rupee of full value was worth 39 or 40 *dams*. From 1627 a rupee was worth 30 *dams* as against 40 *dams* under Akbar. In 1695 Careri pointed out that a rupee was worth 54 *paisas*. Here *paisa* denotes half-*dam* (*Adhela*)). Thus the ordinary labourer was getting in Akbar's time only 3 or 4 pice. Francisco Pelsaert who wrote his memoir in Jahangir's time (1626) mentions wages of servants for a whole month reckoned at 40 days at the rate of Rs. 3 to 4 for that period. It is not true that monthly wages of labourers were calculated on the basis of 40 days. For Terry mentions that wages were five shillings the

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<sup>24</sup> Hari Charan Das: *Chahar Gulzar Shujai*, in Elliot and Dowson, Vol. VIII, p. 228.

moone paid the next day after the change. The *Oncost boek* (Account Book) of the Dutch factory at Agra (1637) also shows that wages were paid regularly at the end of the month on the full moon day and that these were Rs.  $3\frac{1}{2}$  for servants, porters, and *sais* (horse-men) and Rs. 5 for the sweeper and the washerman. "A simple servant, between wages, victuals and clothing stand not more than three *rupia* a month," observed Pietro della Valle from Surat in 1623. In 1628 or 1629 de Jongh gives 3 stivers daily or Rs.  $3\frac{3}{4}$  per mensem as the typical rate of wages for Broach.<sup>25</sup> In 1634 wages at Surat were 5 to 7 *mahmudis* per mensem (i.e., Rs. 2/8/- to Rs. 3/8/-), but the rates were increased by 3 *mahmudis* in 1638. De Laet borrows Pelsaert's figures in his *Description of India*.<sup>26</sup> In 1637 the Dutch paid usually Rs.  $3\frac{1}{2}$  to Rs. 5 per month or 6 to 8 pice per diem to ordinary labourers in their factories and 7 pice to superior men. Hawkins also records Rs. 3 to Rs. 10 as the usual wages paid to officers and men attached to the Mughal camp and the court. All this would indicate that the ordinary worker's wages in Jahangir's time doubled since Akbar's days. In 1636 when food prices returned to the normal in Gujarat a messenger was paid an allowance of 3 pice daily, which may be taken as about the minimum required for the subsistence of a "lean, lazy knave." 3 pice a day was considered by Methwold as more than adequate: "and so comes to cost more brasse than his body weighs."<sup>27</sup> It is doubtful, however, whether this amount represented an allowance or an actual daily wage paid to the messenger. 3 pice became the normal daily wage in the Bombay factory in 1674 instead of  $2\frac{1}{2}$  pice, and this was again raised to 6 pice in 1675 due to the high cost of living and scarcity of provisions. In South India we have records of rates of wages for the factory servants at Masulipatam since 1622 when they were obtaining about Rs. 2 per mensem. William Smyth writing

<sup>25</sup> Quoted in Brij Narain: *Indian Economic Life, Past and Present*, pp. 7, 11—13.

<sup>26</sup> *De Imperio Magni Mogolis*, pp. 89-90.

<sup>27</sup> Foster: *The English Factories in India*, Vol. V, p. 294.

to his father, John, in 1658 observes: "This country is a very cheap place of residence, were it not for the state and multiplicity of servants we strangers are constrained to keep; all men being respected according to his train and habit. We have at present belonging to our factory near 70 persons, to whom we covenant to pay between 4s. and 5s. sterling per month each, they finding themselves all provisions and necessaries. These servants are allowed, when they travel or are sent on our business, 2d. per diem, which is the rate we give to all day labourers and porters we usually employ to carry burdens 50, 60, or 100 miles outright, which is the usual conveyance we make use of for all sorts of goods. . . . All sorts of provisions are extreme cheap."<sup>28</sup> The rupee at the time was equivalent to about 2s. 3d. Thus the factory servants were obtaining Rs. 2 per mensem. This may be compared with the allowance of a *dam* ( $1\frac{1}{2}$  pice) fixed for the lowest grade of slaves and 2 and 3 *dams* per diem (3 or  $4\frac{1}{2}$  pice) for ordinary workers at Akbar's court.

### *Wages of Skilled Works.*

Pelsaert gives the figure of 5 or 6 *tuckas*, i.e., 4 or 5 (Dutch) stivers for artisans in all crafts as wages. Moreland considers that the word *tacka* is presumably *tanka* but is used by Pelsaert for the *dam*. This is inaccurate. *Tacka* is the *tack* of Sir Thomas Herbert (1627-28) who mentions that twenty *tack* make one rupee. This is "the double *dam*." Similarly John Marshall specifically (1668—1672) mentions 1 *tucka* equal to 2 pice. Thus *tucka* is not *tanka*.<sup>29</sup> 5 or 6 *tuckas* will be equivalent to 10 to 12 pice which represented the daily wages of craftsmen and artisans in Jahangir's time. This agrees with the accounts of the Dutch factory at Agra (1637), according to which skilled workers were paid 12 to 13 pice daily. The *Ain-i-Akbari* allows 6 or 7 *dams* for skilled workers which would be  $2\frac{1}{2}$  as. to 3 as. Thus the figures of wages

<sup>28</sup> *The English Factories*, Vol. 10, p. 261.

<sup>29</sup> The *tanka* was almost entirely a money of account. One rupee was equivalent to 20 *tankas* (*Muntakhabu-l-Tawarikh*).

both for ordinary and skilled workers remained identical in Akbar's and Jahangir's times. At the beginning of the 18th century in Calcutta wages for ordinary workers ranged from 12 annas to Re. 1 per mensem. Half a century later (1751) the average wage of coolies in Calcutta was raised to 2 *puns*, 12 *gundas* of *cowries* per diem, and in 1759 to Rs. 2-8 as. per mensem. The peon and the bearer were then (1759) getting Rs. 2-8-0 each, as compared with Re. 1 and Re. 1-8-0 in 1703 and 1711. Eight years later on November 20, 1767, the Chief Engineer, Fort William, complained about the want of coolies for carrying on the works since the *duffadars* were unable to comply with their engagements as the coolies employed by the contractors received at the rate of Rs. 3 per mensem, whereas those paid by the Company had no more than Rs. 2/12.<sup>30</sup> The wage per diem would be about  $1\frac{1}{2}$  annas for the lowest grade of workers—the same as in the earlier periods mentioned. In the Consultation (6th November, 1770) we read: "The rate of wages—six or eight annas a month for a labourer (*i.e.*, besides a certain allowance of food) is calculated for a time when rice is at two or three maunds for a rupee."<sup>31</sup>

In one of the Proceedings (March 10, 1760) we come across forced labour, the Collector being ordered to send peons into the *pergunnahs* to bring up by force 8000 coolies when the works at Fort William were retarded for want of coolies. Coolies neglecting to return baskets, kodalis, implements, etc., also forfeited their day's wage.<sup>32</sup>

About 1790 the monthly wage rates established in Calcutta were as follows: peon Rs. 4 to Rs. 6; bearer Rs. 3/8 to Rs. 4/; grass-cutter Rs. 2 to Rs. 4. Similarly, in Madras, reports of 1790 of the East India Company show that weavers were receiving about Rs. 4/- per month at Vizagapatam. The weaver's earning in Madras on an average ran from 1 to  $1\frac{1}{2}$  *pagodas* or

<sup>30</sup> Long: *Selections from Unpublished Records of Government*, 1748—67, Vol. I, pp. 30 and 483.

<sup>31</sup> Quoted in Hunter: *Annals of Rural Bengal*, p. 410.

<sup>32</sup> Long: *Selections from Unpublished Records of Government*, 1748—67, Vol. I, pp. 212-13.

from Rs.  $3\frac{1}{2}$  to Rs.  $5\frac{1}{4}$ . At this time a sepoy received Rs. 7 a month and a peon Rs.  $3\frac{1}{2}$ .<sup>33</sup>

A century later, in 1807, when Dr. F. Buchanan reported on Eastern India from Gorakhpur to Assam, he found that in Patna, where money wages were paid, ordinary workers were getting, in place of three or four seers of grain, three pice or one anna which purchased from  $4\frac{1}{2}$  to 6 seers of coarse grain that they used. Elsewhere in Bihar they obtained 3 seers of grain or in some places from  $1\frac{1}{2}$  to 2 pice and in addition half a seer of *chattu*. Money and grain would be worth between  $\frac{3}{4}$  anna to one anna per diem. Men's wages and women's wages were almost the same, Buchanan observed.<sup>34</sup> But in Gorakhpur where food or land was not given men servants got from Rs. 2 to Rs. 3 per month, and women from 8as. to 10as. It would appear then that wages for ordinary labourers remained at the level of 3 pice or one anna per diem on an average from the 16th to the beginning of the 19th century. Carpenters and brass-workers in Gorakhpur were estimated by Buchanan as earning only Rs. 6 and Rs. 4-14-0 per month respectively. This would give us an average daily earning of about 3as. per diem which may be compared with 12 pice paid by the Dutch factors to carpenters in Gujarat. Again, for the district of Dinajpur the usual wages of the *kisan* or agricultural labour were 8 annas per month with food and clothing, which the farmers estimated at one rupee a month but in fact did not exceed 12 annas. Indigo manufacturers who settled in the vicinity, and wanted labourers gave 2 rupees per month as wages, which compelled the cultivators to allow the ordinary agricultural labourers one rupee a month besides their food. This would mean that the workers were getting only 4 pice which was exactly the wage given by the European factors in Surat in 1637 and the rate fixed for ordinary labourers in Akhar's court.

All this may be compared with the recent movement of wages in Northern India. Average daily agricultural wages in the

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<sup>33</sup> Dodwell: The Madras Weavers under the Company, *Indian Historical Records Commission, Proceedings*, January, 1922, Vol. IV, p. 41.

<sup>34</sup> Martin: *Eastern India*, Vol. I, pp. 307 and 309.

U.P. were about  $1\frac{1}{2}$  as. to 2 as. from 1858 to 1868. In 1878 wages both in cash and kind rose in some measure. Average daily wages were 2 as. to 3 as. as from 1878 to 1900. In 1909 the general daily wage fluctuated from  $1\frac{1}{2}$  as. to 2 as. This was supplemented by a grain allowance of 2 to 3 seers. Cash wages were 5 to 10 pice. There was then an increase, especially in the War period and after, when daily wages rose from 4 as. to 6 as. Since 1934 there has, however, been a decrease of wages. The rates in 1934 were 3 as. for cash wages and 2 as. 9 pies for wages in kind, and these still remain on the same low level. In 1941 wages remained at the same low level. Where wages are paid in kind, as in Oudh, the remuneration is 5 seers of *jowar*, *kodo* and rice during the *khari* season, and 5 seers of gram, pulses and wheat during *rabi*. The money value is estimated now at 2 as. 6 pies and 5 as. respectively.

#### *Real and Money Wages.*

Adequate and accurate data for a comparison of real and money wages between Akbar's time and today in Northern India are not available. Manucci observed that if the common people of India had four rupees they were quite high and mighty, and declined service. Both De Laet and Ovington seem to support this observation. From the account of the European factors in Gujarat, Madras and Bengal it would also appear that 3 pice per diem or  $1\frac{1}{2}$  *dam* would assure subsistence for the worker. On the whole, it may be said that while an adult worker could live in the past from hand to mouth on Re. 1 to Re. 1-8 as., he cannot feed himself today at less than Rs. 3 to Rs.4. Thus living wages have actually declined. In the 19th century agricultural wages rose but the real wages were reduced appreciably.

#### *Import of the Precious Metals.*

The relation between price movements and the movements of wages of agricultural labourers has been considered on the basis of the existing scant materials in the next section. No doubt the amount of the metals, especially silver and copper, circulating in the country, and the currency policy followed by



the Mughal administration governed the prices of food grains which exhibited sharp local variations. Such fluctuations were due to the dependence of India on the foreign supplies of the metals, the cost of transport from one part of the country to another and from the port towns to the Imperial mints, and political disturbances. Throughout the Mughal age India maintained a balance of trade in her favour. Gold was imported to India principally from the Indian Archipelago, from China and Japan, from the Red Sea and from Sofala and Mozambique. Silver came from Ormuz, from Japan and from Malacca and its neighbouring markets, the latter being the channel through which silver from Mexico flowed into this country. Gold and silver, of course, were used for coinage but a large amount was used for display, for making presents and for paying tributes or was hoarded.

Bernier mentions both this favourable trade balance and India's hoarding habit, promoted by the large imports of gold and silver from abroad. Yet Badauni quotes with approval a sound currency maxim: "Gold, my son, is fit to be enjoyed. For hoarded gold is no better than stone." On the other hand, though there is definite evidence that a large amount of gold and silver was buried underground and was unearthed occasionally to become crown property, the inhabitants of the country made no efforts to export specie. Thus the remark of the European traveller, Terry, an adherent of the Mercantilist creed, is irrelevant. "It is lawful for any nation to bring in silver and fetch commodities, but a crime not less than capital to carry any great sum thence." Mandelslo also mentions that it was prohibited on pain of death that any should transport either gold, silver or coined brass out of the country. Both Terry and Mandelslo, of course, do not refer in this connection to any business of exporting the precious metals from India. The amount of gold and silver which used to come to India from different parts of the world was considerable. Terry mentions that an Indian ship coming back to India after the Red Sea transactions alone was usually worth £200,000 sterling, most of it in gold and silver. Believers in the Mercantilist creed, the



Mughal Emperors sought to encourage the export of luxuries and industrial products of India and discourage the export of precious metals. The amount of bullion imported into India steadily increased in the Mughal period. At the beginning of the 17th century (1601) the amount of bullion exported by the East India Company to India was valued at £22,000. By 1616 the value had risen to £52,000, while at the end of the century the export totalled annually about £800,000. Bengal alone absorbed in one year (1681) bullion worth £320,000.<sup>35</sup> From 1708 to 1750 the export, however, diminished and amounted to £426,487 on the average per annum. In the next half-century 1751—1810, the annual average was further reduced to £190,664.<sup>36</sup>

#### *Fluctuations of Silver and Gold Prices.*

Surat which was the most important western seaport in Mughal India was the principal channel through which silver flowed into the country and as soon as silver came into the city, whether foreign coin or bullion, it was taken to the imperial mint and re-issued in the form of Mughal coins. Similarly Satgaon, the gate-way of the East, absorbed a large amount of the precious metals brought to Bengal by foreign merchants. Murshidabad and Tanda or Rajmahal were the places in Bengal whence coins were issued. Copper coins were also issued from the mint in Bengal. For Streynsham Master (1675—80) remarks: "Copper cannot be wrought into utensils in Dacca as in other towns, but all must be carried to the mint for pice."

In the gold market in Surat the shroffs wielded a great influence as they do now in Bombay or Indore. The English factors were disturbed by their professional manipulation, complaining that "they at their pleasures raise and fall the price of either specie as themselves please." Roe and Terry give the following prices of the rupee: 2s. 9d., 2s. 6d., 2s. 3d., or 2s. Tom Coryat (1616) reckons the rupee at 2s. Sir Thomas Herbert (1628), Thomas Mundy (1633) and Ovington (1689) reckon

<sup>35</sup> S. A. Khan: *East India Trade in the Seventeenth Century*.

<sup>36</sup> Macgregor: *Commercial Tariffs*.

the rupee as equivalent to 2s. 3d. De Laet mentions that the rupee varies from 2s. to 2s. 9d. Much later Manucci records the rate of 2s. as current. In 1651 the English Company fixed the rates for adjustments of factory accounts at Surat at 2s. 3d. for the rupee and 1s. for the *mahmudi*. In Bengal after two decades Streynsham Master recorded that the newly coined *sikka* rupee was at a premium of 4 to 6 per cent. "Silver rises and falls," observed John Kenn in 1661, "generally according as the Batty (batta) goes on Sicca rupees." Towards the end of the 17th century the current coin was silver rupee or gold *muhr*, the latter being not ordinarily used. Tavernier (1641—1667) observes that the "golden rupees" or *muhrs* were not current among the merchants and were scarcely met with except in the houses of the great nobles. He gives also the price of the *muhr* as Rs. 14. Similarly Thevenot (1667) mentions that the rupees of gold "pass not commonly in trade and are only coined, for the most part, to be made presents of." The Italian traveller, Careri, (1695) records: "The money coined in Hindusthan is rupees, half rupees, and quarter rupees of silver; as also rupees of gold, worth 13 silver rupees and a quarter, or six pieces or eight, Spanish money half rupees and quarters. There are also copper pieces called *paisas*, 54 whereof make a rupee of silver." Between Akbar's and Aurangzeb's reigns gold appreciated in comparison with silver. According to the *Ain* the ratio of the value of gold to that of silver was about 9·4:1. In Jahangir's reign Hawkins (1608—11) gives the value of 'Seraffin Echeri' at 10 *rupias* a piece. Between 1628—1630 the English Factors reported from Surat that the *muhr* fetched only Rs. 13 or even Rs. 12 $\frac{3}{4}$  but soon its normal value of Rs. 14 was restored.<sup>37</sup> Manrique (1641) records that three gold rupees (*muhrs*) were worth 39 silver rupees, while Tavernier (1641—1667) gives the rate of 14 silver rupees for one golden rupee. This tallies with the reckoning in the *Badshah-Nama* during the reign of Shah Jahan that the *mohur* was then equivalent to Rs. 14. Between Shah Jahan and Aurangzeb the *muhr* went up still higher in value

<sup>37</sup> *The English Factories in India*, 1624—29, and 1630—33.

from Rs. 14 to about Rs. 16. Ovington (1689) records that the gold rupee is valued generally at Rs. 14 of silver. Khafi Khan, however, reckons the *ashrafi* at Rs. 16 or Rs. 17.<sup>38</sup>

We have already referred to the coins of smaller denomination. These were called *tankis*, *takas*, *dams* and *mahmudis*. The *tanki* pieces seemed to have been struck with a view to provide for the copper currency as complete a series of fractional pieces as existed for the rupee. There were half, quarter, fifth, eighth, tenth, sixteenth and twentieth parts of the *rupiya*. Of the *tanka* and the *dam* there were similarly issued halves, quarters, and eighth parts as well as fifth and tenth parts. The *Maasir-i-Alamgiri* mentions *charns*, *doana* and *chihar ana* of gold and silver as well as black *tankas* and *cowries*, which are intended for use of the commonalty.<sup>39</sup> The *Badishah-Nama* uses the denomination of *charn* for the quarter *muhr* and the name given by it to the quarter rupee is *nisar*. Half-rupees were called *darbs* which seem to have fallen into disuse after Jahangir's reign. Gigantic coins of gold and silver which were not current were also struck by the Mughal Emperors to be bestowed as gifts to foreigners, ambassadors, physicians and ladies. These also served as stores of value for times of emergency. Contrasted with the gigantic *ashrafis* and rupees were the small coins struck for the common transactions of the people. The *dam* was in Akbar's time the fortieth part of the rupee. The *tanki* was one-fifth of the *dam* or one-tenth of the *tanka* of about 640 grs. The *taka* was the double *dam*; and 20 *takas* made one rupee. In Gujarat 100 *tankas* were equivalent to 1 Akbari rupee; and the *mahmudi* was equivalent to 9 *tankas*. 24 *mahmudis* went to 10 Imperial rupees. In Bengal in Aurangzeb's reign the current coin was silver rupee and gold *hun*. The latter was not much in circulation. 1 *hun* was equivalent to Rs. 3½—Rs. 4½. 4 *takas* made 1 rupee. 1 *taka* again comprised 48 parts called *dams*.

The people of India as a whole were not, however, interested in the fluctuation of the price of gold which was coined only to a

<sup>38</sup> See Hodivala: *Historical Studies in Mughal Numismatics*, pp. 113 and 250-251.

<sup>39</sup> P. 101.

very limited extent. They were more concerned with silver and copper prices. As Terry aptly observes "That which passes up and down for exchange under this rate is brass or copper money which they call *pices*, whereof three or thereabouts countervail a penny. Those *pices* are made so elastic and so thick as that the baser metal of which they are made, put to other uses, is wellnigh worth the silver they are rated at."

Ordinarily copper was used by the people and the *dam*, and half-*dam* (*adhela*) and quarter-*dam* (*paulah*) were popular coins, though the lowest money was the *damri* or  $1/8$  *dam* or  $1/320$  rupee. In Akbar's time 40 *dam*s made a rupee<sup>40</sup> and 9·4 rupees made the ordinary gold *muh*r. There were also 5,  $12\frac{1}{2}$  and 25-rupee *muh*rs as well. The Mughal rupee and *dam* were somewhat less than Sher Shah's coins in weight. Foreign observers like Terry, Fryer, Tavernier and Ovington have referred to the purity of gold and silver in the Mughal currency. Ovington (1689) notes that the gold of Surat is so very fine that 12 or 14 per cent may be often gained by bringing it to Europe. The silver which is the same all over India outdoes even the Mexico and Seville dollars and has less alloy than any other in the world.<sup>41</sup> In fact, the Mughal administration maintained a great uniformity in the currency of the vast empire. According to Prinsep, "Cabinet specimens of the coins of Akbar, Jahangir, Shah Jahan and Aurangzeb have an average weight of 175 grains pure, and the same prevails with little variation up to the time of Muhammad Shah in the coins of opposite extremities of the empire; or struck in the *subas* of Surat, Ahmedabad, Delhi and Bengal." With the gradual relaxation of authority at the centre the Mughal currency was debased. In Gujarat the silver *mahmudi* struck by the Sultans of the Province was about 13 per cent below the Akbari standard and its value in terms of copper greatly fluctuated. Normally 32 *pice* were equivalent to 1 *mahmudi*. But within the boundaries of the Mughal Empire the

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<sup>40</sup> According to Khafi Khan, Todar Mal first introduced the rupee of 40 *dam*s.

<sup>41</sup> *A Voyage to Surat*, p. 130.

custom of farming out the mints was adopted. Old rupees were taken into the mints to be recoinced into *sikkas*, the name given to the rupees of the current year which were lighter in weight and lower in value and which altered from year to year. We have unimpeachable evidence of currency debasement from the coinage of new lighter rupees at the mint in Benares, for instance, under the charge of eminent Benares bankers.<sup>42</sup> In fact, the lowering of the weight and standard began in the time of Aurangzeb and was especially marked in Muhammad Shah's time. Copper coins also constantly altered in weight or value in different parts of the Mughal Empire and this caused considerable confusion. Unscrupulous *Subadars* and *Darogas* in charge of mints also took advantage of the fluctuations of silver and copper prices to alter the value of the coins to obtain profit. The major causes of the fluctuation of prices of precious metals were the influx of silver bullion into Bengal, Sindh and Gujarat, the cost of transport from the ports to Agra and the exhaustion of the copper mines of Rajputana and Central India during Akbar's reign. Copper was imported to Gujarat and Bengal from Japan, and it was but natural that since the supplies of both copper and silver for Northern India depended upon foreign sources there were great fluctuations in their prices. At the beginning of the 17th century the rupee was worth 80 pice or 40 *dams*. In 1614 Nicholas Ufflett records that the *chalani* rupee was worth in Agra from 96 to 102 pice, according to the exchange.<sup>43</sup> Metford (1615), writing from Ajmere, mentions that the *chalani* rupee of Agra went for 83 pice, the *sikka* of Ahmedabad for 86 pice and the *Jahangiri* rupee at 100 pice. In Burhanpur between 1618 and 1621 the rupee was worth 80 pice.<sup>44</sup> This was because Burhanpur was more distant from Rajputana where the copper

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<sup>42</sup> The rupee was debased by increasing its assay from 22 *chawals* (8 *chawals* or rice grains=1 *rati*) to 48 *chawals*. See Thurston: Note on the History of the East India Company's Coinage from 1753—1835, *J.A.S.B.*, 1893, pp. 54—56.

<sup>43</sup> Forster: *India Office Records*, Supplementary Calendar, p. 48.

<sup>44</sup> *English Factories*, 1618—1621, p. 269.

mines were worked. But by 1626 Pelsaert records that at Agra 58 pice went to the rupee. From 1627 onwards, Moreland reckons, the rupee was worth 60 pice (30 dam) or a little more or less. The Dutch Accounts in Agra (1637) give the value of the rupee in terms of pice as varying from 50 to 55 pice per rupee from January to December.<sup>45</sup> Van Twist also records (1638) the exchange at 53 or 54 pice to the rupee, while Tavernier (1645) quotes 55 to 56 pice per rupee at Agra. We have already referred to the ratio of 54 pice per rupee as mentioned by Careri in 1695. The lowest value of the pice is recorded by John Marshall (1668—72) who mentions that 25 dams made 1 pice and that 40 pice were equivalent to a rupee at Patna and 26 pice at Bhagalpur.<sup>46</sup> In Masulipatam 27 or 28 pice went for a rupee.

*Depreciation of Silver and Its Effects upon the Peasantry.*

This depreciation of the price of silver, whether in Western India for a *mahmudi* to decline from 31 to 32 pice for the coin as recorded by Finch in 1609 and 34 pice as recorded by Elkington in 1614 to 20 pice for the mahmudi in 1636 as recorded by the English factors at Surat<sup>47</sup> or of the rupee in Northern India which was reduced from 40 to 30 dams and from 102 to 53 pice in Aurangzeb's reign was rather unfavourable to the lower economic classes in the country. In Mughal India any merchant could bring any metal either gold or silver or copper to the mints, and get money coined after paying a seigniorage of about 5 p.c. and the actual brassage, the profit being divided according to scheduled rates between the merchant and the state. For the silver rupee was the principal standard of value and legal tender in Mughal India, and the Mughal administration did not attempt to maintain any fixed ratios between gold and silver, and between silver and copper. Copper was not the token coin then as

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<sup>45</sup> Quoted in Brij Narain: *Indian Economic Life, Past and Present*, p. 17.

<sup>46</sup> Khan: *John Marshall in India*, pp. 121 and 416.

<sup>47</sup> Dr. John Fryer (1673—81) refers to further depreciation, 12 to 24 *nice* being reckoned at Surat and Ahmedabad to one *mahmudi*.

at present. Thus silver and copper were permitted to find their market ratios causing disturbance to the course of trade and prices and economic relations in general. The depreciation of the value of the silver coin or appreciation of the value of the pice from 102 to 53 per rupee from Akbar to Aurangzeb's reign promoted a brisk trade in money changing, the merchants purchasing copper in the cheaper markets and selling where it was dear in the country. With the relative depreciation in the value of silver in terms of copper, the real burden of the revenue demand which was assessed in *dam* (copper) but actually paid mainly in silver also considerably increased.<sup>48</sup> The appreciation of copper *dam* was equivalent to a general fall of the prices of agricultural produce, and a diminution of agricultural income measured in terms of *dam*. On the other hand, the revenue demand reckoned in *dams* remained fixed. Thus the peasantry had to part with a larger share of their produce not only to meet the state demand but also interest payment to their creditors. And the grinding poverty of the bulk of the population was rendered more severe. The Mughal practice of assigning *jagirs* to a host of civil and military officials, instead of giving them fixed salaries in rupees, also resulted in greater exploitation of the peasantry due to the fall in the value of silver, while the official class would not permit any reduction of their official expenses and their standard of living and status as well of the cost of the troops and horses which they were bound to maintain. As a matter of fact Manucci records in the reign of Aurangzeb that the old rate of 40 *dams* to the rupee was still in force for the conversion of salaries by the administrative and middle classes. Similarly Sayyad Ghulam Husain Khan (1783) also observes that the *dam* was really equal to from the 40th to 48th part of a rupee, but in the Chamber of Accounts 40 *dams* always went for a rupee.<sup>49</sup> The weight of the *dam* was by this time reduced by

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<sup>48</sup> The *jama dami* was the revenue assessment made not in silver, but *dam* (copper); while *hasil kamil* or standard revenue was expressed in rupees in which the revenue was largely payable.

<sup>49</sup> *Siyaru-l-Mutaakh Khirin*, p. 277.



one-third. It appears that Aurangzeb attempted to face the situation by passing a decree that rupees whose intrinsic value was less than annas eight should pass current as full-weight rupees and also by reducing the weight of the common copper coins. We have ample evidence of the scarcity of copper in different parts of India in the reign of Aurangzeb and the consequent coining of lighter *dams* from different mints situated in various parts of the Mughal Empire. Aurangzeb's *dams*, as pointed out by Hodivala, weighed from 190 grs. to 215 grs. as compared with Akbar's *dam* of about 320 grs. Such was the scarcity of copper in Ahmedabad, for instance, that the money changers of the city had black coins of iron made and circulated and exchanged them at exorbitant rates. On this the Subadar of Ahmedabad coined copper of lighter weight which was later on sanctioned by the imperial order of Aurangzeb to the effect that the weight of the *dam* should be now fixed at 14 mashas as compared with  $20\frac{7}{8}$  mashas of Akbar's *dam*.<sup>50</sup>

In Aurangzeb's reign the following kinds of rupees were current:—(1) *Ilahi* rupees of Akbar's reign (2) *Shah Jahani* rupees (3) *Charriary* (named after the four friends of Muhammad) and (4) *Sicca* or newly coined rupees. 100 *Sicca* rupees were equivalent to 104 *Charriary* rupees, 105 *Shah Jahani* rupees and 106 *Ilahi* rupees. 1 Rupee was also equivalent to 2s. 3d. The "Great" (or *dabal*) pice was also in vogue, coined in Shah Jahan's reign. 40 (*dabal*) pice made the rupee. But Aurangzeb introduced the "Little" pice. John Marshall, (1668—1672) however, found it current only in Patna and thereabout being lately struck; while the "Great" pice was current all over Hindusthan, in Bengal and Orissa. Cowries were also in use. Three cowries were equivalent to 1 *dam*, and 25 *dams* made a pice.<sup>51</sup> It is clear that between Jahangir and Aurangzeb there was further depreciation in the value of silver in terms of copper and thus one can understand his measures in respect of the

<sup>50</sup> S. H. Hodivala: *The Weights of Aurangzeb's Dams*, J.A.S.B., Numismatic Supplement, No. XXVIII, 1917.

<sup>51</sup> See Khan: *John Marshall in India*, p. 416.

debasement of currency. The effects of these imperial orders are uncertain but that the shroffs and merchants protested is clear from Manucci's account. We have also the testimony of the *Mirat-i-Ahmadi* that the day labourers in Ahmedabad refused to accept the lighter copper coins of the Alamgiri stamp in lieu of the former *falus* and complained that the present coin differed from the former as ten differs from fifteen. (The new *dam* weighed only 14 mashas as compared with the old *falus* of about 21 mashas. Thus the ratio is 14:21 or 10:15) Thereupon Aurangzeb directed the Subadar to the effect that in the payment of daily wages in the garden houses and other karkhanas of the city of Ahmedabad the value of the tanka in *falus* should be raised in the proportion of ten to fifteen. From that time, the tanka has been fixed in Gujarat at three *falus*. Thus money wages were raised in Gujarat in that proportion. The Akbarshahi tanka (of about 640 grs.) had an exchange value of two *falus*. It is doubtful whether in different parts of the Mughal Empire such ready adjustment of wage rates could be reached. On the other hand, it is probable that the real wages were reduced due to the currency debasement. The lighter copper coin continued to be current later on at the time of Bahādur Shāh and Farrukh Siyar. The Dutch who were having a profitable trade with Japan for some time by importing copper from that country into India met with difficulties when in 1640 Japan prohibited the export of copper and turned to European sources such as Sweden for the Indian supply. At one stage the authorities in Gujarat also had to prohibit the exports of copper (coined or uncoined) to Persia and other places in order to check the depreciation of the rupee, which rose in consequence to only about 30 to 33 *dams*. The depreciation of the value of silver from 40 to 30 *dams* and the increase of burden for the majority of the population coupled with currency debasement and confusion introduced by Aurangzeb may be regarded as economic causes contributing to the down-fall of the Mughal Empire.

Besides the copper coins used by the general population there were also in vogue almonds (*badams*) in Western India and *cowries* in Bengal and Orissa. *Badams* were reckoned in

1614 at 22 to the pice according to Elkington and 30 to the pice according to Nicholas Ufflett. Bowrey mentions that the rupee was worth 3,000 *cowries*. Earlier in 1602 della Valle bought 20 measures of rice for 12,000 *cowries*. Bolts mentions that 4,000 to 4,800 *cowries* made the rupee and according to Stavorinus 4,800 to 5,200 *cowries*. Even the revenue of the government in Orissa was paid in *cowries* up to the beginning of the 19th century when the exchange was 4 *kahans*, 2 *puns* to one rupee. Soon, however, *cowries* began to depreciate in price causing great hardship to both zamindars and tenants and even the abandonment of holdings. One of the causes of the Khurda rebellion was the depreciation of the price of *cowries*.<sup>52</sup> In Agra, wrote Nicholas Ufflett in 1614, a pice could be exchanged for 30 *cowries*. Shroffs were indispensable in all such money changes and transactions for there was current a large variety of both standard and spurious coins. Besides wholes, halves and quarters of *siccas*, Arcot, French Arcot, Cuttuck, Gurnally, Surat, Nagpuri, Tipu Shahi, Chitterpuri, and Muchhooa Benarasi coins are mentioned as current in Orissa alone towards the end of the eighteenth century.

In the middle of the 18th century abuses connected with filching off a number of *cowries* out of the coolies' wages were brought to light, and it was proposed at Berhampur in Bengal in 1757 that the coolies might be paid in annas (silver or copper) instead of *cowries*. On the other hand, the complaint became serious in 1760 in Calcutta that the coolies and the artificers were suffering loss due to the payment of *batta* on the *sanat* rupees and were not obtaining the real value of the copper money. In 1760 the East India Company decided to pay the coolies in copper whose value was fixed at the bazar set up in the fort. The exchange was at the rate of about 54 *puns* (20 *gundas* = a *pun*) of *cowries* for 18 copper annas and the same proportion for the lesser coins.<sup>53</sup> In 1778 Warren Hastings suggested copper

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<sup>52</sup> See K. P. Mitra: *Currency in Orissa, Proceedings of the Indian Historical Records Commission*, 1938.

<sup>53</sup> *Proceedings*, 15th April, 1760 A.D.

coinage since the payment of labourers in *cowries* subjected them to loss and deception and discouraged them from working in the public works. It was in 1781 that copper coins were first issued. The experiment was not successful as copper pice came back to the treasury due to the over-valuation of the copper. It appears that for another two or three decades *cowries* were in great use in the villages of Bengal for petty transactions. Westland and Beveridge have mentioned that until 1814 *cowries* took the place of copper pice in the districts of Jessore and Bakarganj. Currency reform was one of the first measures undertaken by the English in power in Bengal. The East India Company suffered considerable occasional losses due to the currency chaos, while some of the coins they themselves issued in both gold and silver were spurious and were of great detriment to the interests of trade and industry in the country.

## SECTION III

## Movement of Real Wages during Four Centuries

*Variations of Prices: Seasonal and Regional.*

The normal prices of food grains in Northern India prevailing at the end of the 16th century are available for us in the *Ain-i-Akbari*. In the past there were much sharper variations between harvest prices and normal prices, and between prices which prevailed in the interior of the country and in the port towns. In 1661 sugar was bought in August at Chandrakona in the district of Midnapur at Rs. 6 to Rs. 7 per bale (2 mds. and 13 srs.) but in shipping time it sold in Hughly, then the port town, at Rs. 9 to Rs. 10 per bale. Similarly pepper was bought in August at Rs. 4 to Rs. 5 per maund, but in shipping time it was usually worth Rs. 9 to Rs. 10. The differences in the prices of butter and oil were even larger; butter selling at Rs. 4 to Rs. 5 per maund in December, and at Rs. 8 to Rs. 10 in shipping time; oil selling at Re. 1. 12 as. to Rs. 2 per maund in December, and at Rs. 3 to Rs. 4 in shipping time.<sup>54</sup> Such variations of prices were, however, nothing as compared with the extraordinary variations during droughts and famines. In the great famine of 1630-31 in Gujarat, "the garden of the world," no relief was forthcoming from Northern India which was at that time well stocked with grain. Thus considerable quantities of grain had to be imported by the English merchants of Surat from Persia. It took a long time formerly for the prices of food grains and charges of land transport to recover. Meanwhile prices of non-food crops such as cotton and indigo and of sugar, yarn and cotton goods also remained too high for the ordinary course of trade.

*Gujarat and Bengal Price Movements.*

Besides the effects of droughts or famines there were regional and local variations of prices due to difficulties of communications and transport and the imports of silver and copper

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<sup>54</sup> John Kenn's Report. Wilson: *Early Annals of the English in Benaal*. p. 375.

poured into the country by the European and other merchants. The latter affected markets of the Indian sea-board, especially Gujarat and Bengal. Northern India, Bengal, Gujarat and the Coromandel Coast appear to be four distinct regions where the price movement was ruled by separate local causes and circumstances. In Gujarat in normal years prices of food grains were much higher than in Northern India. Before the famine of 1630 wheat was being bought for Dutch ships at 80 to 85 lbs. per rupee. The prevailing price of wheat in Northern India as recorded by Abul Fazl (about 1594) was 185 lbs. Similarly rice was being bought at 40 to 65 lbs. for a rupee as compared with the Agra price of 111 lbs.<sup>55</sup> W. G de Jongh's papers (1628 or 1629) mention the price of barley in Broach as 99 lbs. and of maize as 144—158 lbs. per rupee. The *Ain* records the price of barley as 277½ lbs. per rupee, but does not mention maize. In the Coromandel Coast rice sold in 1616, according to the account of Ant Schorer, at the rate of 116—174 lbs. per rupee, which was not much different from the Agra price. But wheat was selling much dearer, at the rate of only 44 to 58 lbs. per rupee.<sup>56</sup> During the famine of 1630 the prices of food grains shot up and the English factors purchased wheat from Persia. Such was the difficulty of land transport. It appears that after the famine the old rates were restored in Gujarat. At the end of the 17th century (1690) Ovington found in Surat that the wages of the factory servants were Rs. 4 or 9 *mahmudis*, corresponding to the figure of 1636 when food prices were returning to the normal after the famine. It would thus appear that in Gujarat in the 17th century the normal prices of food grains though these remained much higher than Agra prices did not change much. The continued high level of prices was of course the result of the foreign buyers purchasing in the Gujarat market<sup>57</sup> and the large

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<sup>55</sup> *The English Factories*, Vol. IV, p. 62.

<sup>56</sup> Quoted in Brij Narain: *Indian Economic Life, Past and Present*, pp. 5—7.

<sup>57</sup> Surat was a cosmopolitan city in the 17th century. "No city in the world," observes Philip Anderson, "contained a more varied and mixed assemblage of people." In the thoroughfares

influx and gradual absorption of silver stock by that part of the country.

Bengal prices until the middle of the 18th century were, on the other hand, very much lower than the prices in Northern India. In Bengal "A candy (sic) of rice which is about 14 bushels," Linschoten (1583—1588) records, "is sold for half a *gilderne* or half a dollar." This would mean that a rupee was buying 500 lbs. of rice there as compared with 111 lbs. of rice per rupee as quoted in the *Ain* (about 1594) for Northern India. The phenomenal productivity of the land and labour of the farmers explained Bengal's large exports of rice, wheat, sugar, oil, butter and other food-stuffs to the East and to the Coromandel Coast. Yet traffic in food-stuffs with the Madras Presidency was like carrying coal to Newcastle. This was discerned by Methwold who referring to this trade observes "which, considering the plenty of the place whereunto they bring them, should come hither as we say of coals carried to Newcastle, yet here they sell them to contented profit." Up till 1650 rice, butter, oil and wheat could be obtained in Bengal "all at half the price or little more that they are in other parts." But within eight years the English factors made a representation that £300 per annum was insufficient to defray the household expenses of the four factories in Bengal, "because provisions are now three times as dear as formerly." The rise of prices in Bengal in 1658 was not so sharp since the Company did not accept the proposition of the Bengal factors, but "desired a detailed account, on receipt of which the matter should be reconsidered."<sup>58</sup> That Bengal was at this time beginning to be supplied with a good deal of gold and silver goes without saying. John Kenn reporting about Bengal in 1661 observes: "The commodities chiefly vendable in this place are silver and gold. Silver either in coin or in Barrs according to its fineness. The best time of the

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were to be seen not only the natives of the Marathi and Gujarati provinces but also Sindhians, Persians, Arabs, Armenians, Parsis, Jews, Boharas together with English, Dutch and Portuguese merchants.

<sup>58</sup> *The English Factories*, Vol. X, p. 407.



year to sell it in is in December except the Dutch should have no more silver from Japan, and the best time for sale will be in May. The merchants buy gold and plate, pay always ready money, when it is weighed to them, then they presently send it up to Rajamaul where mint is to be coined."<sup>59</sup> But the rise of prices, if at all significant, in the middle of the seventeenth century did not continue. For by the beginning of the 18th century we obtain here records of some of the lowest prices and wages in the whole of India. Moreland's inference that Bengal was previously inadequately supplied with silver and that the rapid expansion of trade, financed almost entirely by silver, resulted in the Bengal market being brought more nearly on a level with the conditions prevailing elsewhere on the coast seems to be unjustified. For in Bengal food prices and wages continued to be lower than the Coromandel Coast until the middle of the 18th century.

On the death of Aurangzeb the confusion that followed caused great fluctuations of prices of food grains in Northern India. Prices also were different in different places. We reproduce from *Tarikh-i-Bahadur Shahi*<sup>60</sup> the following schedule of prices of food grains in Delhi obtaining in 1712 and compare it with the prices recorded in Murshidabad in 1729.<sup>61</sup>

Food grain		Rate per Rupee	
		1712	1729
Wheat	...	20 seers	3 md. 30 seers.
Barley	...	27 seers	8 mds.
Gram	...	25 "	4 mds. 35 srs. (Chenot)
Rice (sukhdas)	...	10 "	4 mds. 15 srs. (coarse)
Dal mung	...	15 "	
Mash (pulse)	...	18 "	
Moth	...	20 "	
Adas	...	18 "	
Ghee	...	2 "	11½ seers
Pungent oil	...	7 "	24 "
Red sugar	...	12	

<sup>59</sup> C. R. Wilson: *Early Annals of the English in Bengal*, p. 375.

<sup>60</sup> Elliot and Dowson, Vol. VII, p. 566.

<sup>61</sup> Fort William Revenue Consultations, November 29, 1776.

1712 prices are obviously scarcity prices. For the next record of prices (1729) that we have, though it comes from Murshidabad, shows a distinctly lower level for all classes of produce as the last column shows. Prices of the necessities of life in Bengal in the next decades are indicated below. Both in 1751 and in 1770 there were great famines in Bengal and prices and wages shot up extraordinarily.

*Prices in Bengal in Mid-Seventeenth  
Century<sup>62</sup>*

Commodities	Rate per rupee											
	1729		1738		1751		1754		1760		1776	
	Mds.	Srs.	Mds.	Srs.	Mds.	Srs.	Mds.	Srs.	Mds.	Srs.	Mds.	Srs.
Coarse rice	3	30	3	0	1	18	0	40	0	25	1	10
Wheat	3	30	...		1	18	...		...		0	35
Barley	8	0	...		...		...		...		1	13

But prices definitely began to rise in Bengal much earlier, since 1730. By 1738 the price of rice more than doubled, the commodity selling from  $2\frac{1}{2}$  mds. to 3 mds. per rupee.<sup>63</sup> The upward swing of prices continued throughout Northern India since the middle of the 18th century though it was stimulated at first by famines, political disorders, and in Bengal by the Mahratta raids. Between 1810 and 1860 prices remained almost stationary in Northern India. After the mutiny of 1857-58 both prices and wages rose, the average prices for the decade 1861-70 were about 50 per cent above the level for the preceding decade. Since 1870 the trend of prices has steadily gone up. Adequate data of prices and wages province by province, since 1873, enable us now to analyse the economic trends satisfactorily.

<sup>62</sup> For 1729 and 1776, see *Fort William Revenue Consultations*, November 29, 1776. Quoted in Appendix 15 to the *Sixth Report*, 1782.

For 1751, 1754 and 1760 see Long: *Selections from Unpublished Records of Government*, pp. 38 and 210, Letters 99 and 455.

<sup>63</sup> *Fort William Revenue Consultations*, December 11, 1752.

*The Trend of Prices, 1600—1940.*

The movement of prices of the chief necessities of life in Northern India between 1600—1940 may now be summarised.

*Quantity of Principal Food Grains in Seers  
Available per Rupee One.*

	Ghee	Oil	Sugar	Salt
1600 <sup>64</sup>	10·3	13·5	19·3	67
Akbar's measure {	15	20	28·5	
1661 <sup>65</sup>	7 to 8·75	20 to 23	14	
1729 <sup>66</sup>	9·6	21		13½
1807 <sup>67</sup>	3·0	10	5½	8
1873 <sup>68</sup>	1·25	Not available		6·8
1880	1·0	„	„	9·2
1890	1·25	„	„	10·5
1901	1·0	„	9·3	11·7
1911	·91	3·7	7·5	19·4
1916	·8	3·9	6·6	14·8
1928	·6	2·52	...	14·0
1934	·98	5·9	8·4	14·0
1938	·87	4·63	8·0	13·3

<sup>64</sup> Blochmann's *Ain-i-Akbari*, Vol. I, p. 62 and Moreland: *The Value of Money at the Death of Akbar*, *J.R.A.S.*, 1918.

<sup>65</sup> John Kenn's Report, in Wilson: *Early Annals of the English in Bengal*, Vol. I, Addenda.

<sup>66</sup> Appendix 15 to the *Sixth Report*, 1782.

<sup>67</sup> Martin, *Eastern India*, Vol. 2, Appendix, pp. 20—28.

<sup>68</sup> Recent figures are compiled from *Statistical Abstract for British India*, *Indian Trade Journal* and *Sea-borne Trade Statistics for British India*.

*Quantity of Principal Food Grains in Seers  
Available per Rupee One.*

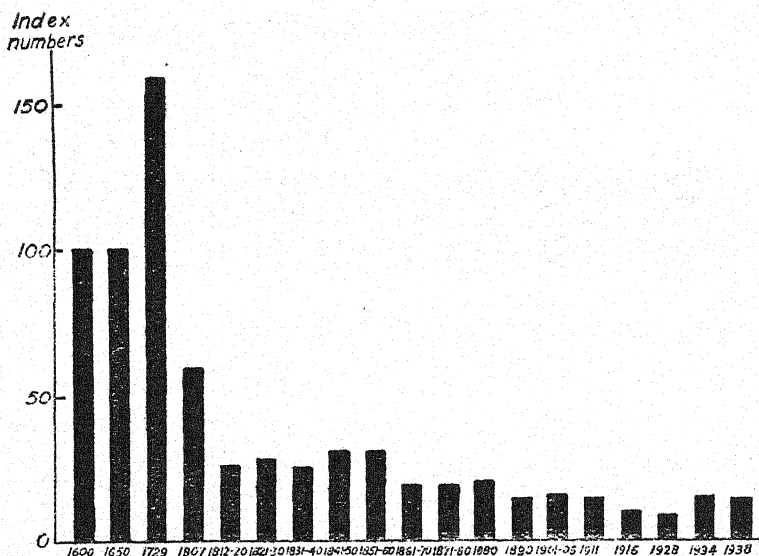
	Barley	Wheat	Jowar	Bajra	Gram	Rice
1600 (Northern India) <sup>69</sup>	135·6	90·4	108·5	180·8	135·6	54·2
In Akbar's measure	200·0	133·3	160·0	266·0	200·0	80·0
1650 (Northern India)	160·0	107·05	128·4	214·0	160·0	64·2
1729 Bengal <sup>70</sup>	280·0	131·25	...	...	170·6	153·0
1807 (North Bihar)	70·0	70·0	...	...	...	120·0
1812-1820 <sup>71</sup>	37	27	34	33	31	
1821-1830	40	28	35	34	37	
1831-1840	35	26	32	30	33	
1841-1850	41	31	42	41	36	
1851-1860	41	30	40	37	41	
1861-1870	26	18	26	24	23	
1871-1880	27	19	21	22	25	
1880	30	19	26	22	22	
1890	20	15	19	17	20	
1901-1905	22	14	22	20	19	
1911	21	13	19	17	19	
1916	13	10	14	12	13	
1928	10	7	11	10	8	
1934	22·2	14·5	20	19	17·4	
1938	19·0	13·8	17·4	16·0	15·4	

<sup>69</sup> Akbar's maund was about 55½ lbs. and Jahangir's was 66 lbs. (instead of 82·3 lbs. as at present). So the *Ain's* figures (Blochmann, Vol. I, p. 62) and those for Jahangir's time have been decreased accordingly. Jahangir's order was to raise the weight of the *ser* from 30 to 36 *dams*, i.e., by 20 per cent. He also introduced a Jahangiri *gaz* or yard, which was about 10 fingers longer than the *Ilahi gaz*. (*Tuzuk-i-Jahangiri*, p. 145). Prices generally remained on the same level in Jahangir's time as in Akbar's.

<sup>70</sup> Thomas Kenn, advising about Bengal weights and measures from Kasimbazar in 1661 reported that a seer in Bengal weighed 70 Sicca rupees, instead of 80 Sicca rupees at present. Thus the figures for 1661 and 1729 recorded in the *Fort William Consultations* have to be increased proportionately. Kenn's report is published in C. R. Wilson: *Early Annals of the English in Bengal*, p. 375 ff.

<sup>71</sup> U.P. prices from 1812—1860 were those of Agra district given in Evans's *Settlement Report*. Those from 1861—1928 are annual averages of fortnightly retail prices in 38 selected districts in the U.P., which have been tabulated in Gupta: *Agricultural Prices in the U.P.*

*Variations in the Purchasing Power of the Rupee*  
(1600—1938)



*Index Numbers Showing the Variations in the  
Purchasing Power of the Rupee.*  
1600 Base Year

1600	100
1650	100.0
1729	158.96
1807	64.5
1812-20	25.9
1821-30	27.74
1831-40	24.94
1841-50	30.48
1851-60	30.2
1861-70	18.66
1871-80	18.16
1880	19.08
1890	14.66
1901-05	15.4
1911	14.14
1916	9.94
1928	7.34
1934	14.89
1938	13.1

From the above it is clear that the purchasing power of the rupee today, in terms of the five principal food grains of Northern India, is about one-eighth of Akbar's rupee which in weight ( $172\frac{1}{2}$  grs.) practically corresponded to the present rupee. 5 *dams* of Akbar had thus a purchasing power equal to that of the modern rupee. The lowest rate of daily wages in Akbar's time for ordinary workers was 2 *dams* which would be equivalent in purchasing power to just above 6 as.

### *The Trend of Wages, 1600—1940.*

#### *I. Daily Wages for Ordinary Labourers in the Ain-i-Akbari (about 1594).*

	Wages in <i>dam</i>	Converted into <i>pice</i>
Slaves and lowest grade of workers : Bamboo-cutters, Brick-layers, Sawyers, Varnishers Water-carriers Stable coolies employed when the army is on march All day-labourers etc.	2 <i>dams</i>	3 or 4 <i>pice</i>
Skilled artisans : Carpenters, masons, workers in lime, etc.	6 or 7 <i>dams</i>	9 to $10\frac{1}{2}$ <i>pice</i>

(For the list see Blochmann's edition of the *Ain*, Vol. I, p. 225).

#### *II. Daily Wages in Jahangir's Reign*

(Worked on the basis of Pelsaert's and Agra Dutch accounts, 1626 and 1637).

Ordinary workers	Rs. $3\frac{1}{2}$ to Rs. 5 per mensem	5 to 6 <i>pice</i>
Skilled artisans	5 to 6 <i>tackas</i> daily	10 to 12 <i>pice</i>

Rel=40 *dams*=80 to 90 *pice* at the time of Akbar.

Rel=30 *dams*=45 to 56 *pice* at the time of Jahangir

1 *tacka*=2 *pice*

### III. Wages in Calcutta, 1703—1711.

(Worked on the basis of Diary and Consultation Book of the East India Company at Fort William Bengal).<sup>72</sup>

				Wages per mensem
1.	Halal Khor	...	...	As. 8 to As. 12
2.	Kahar	...	...	Re. 1/-
3.	Drummer	...	...	As. 12
4.	Paik	...	...	Rs. 1/4/- to Rs. 1/8/-
5.	Peon	...	...	Rs. 1/8/- to Rs. 2/-
6.	Patwari	...	...	Rs. 2/-
7.	Shiqudar	...	...	Rs. 3/- to Rs. 4/-
8.	Toldar Koyal	...	...	Rs. 2/8/-
9.	Book-binder	...	...	Rs. 1/8/-
10.	Writer	...	...	Rs. 3/-

### IV. Daily Wages in Calcutta in 1729

(Fort William Consultations).

Ordinary workers	1 pice to 1½ pice
Skilled workers	3 pice to 1 anna

### V. Daily Wages for Ordinary Workers in Calcutta in the middle of the 18th century (1751-1752)

(Fort William Consultations in Long: Selections from the Unpublished Records of the Government).

Ordinary coolie	2 <i>puws</i> and 12 <i>gundas</i> of <i>cowries</i> 6 pice per diem
Brick-layer	10 <i>gundas</i> of <i>cowries</i>
Coolie, peon, weighman	Rs. 2. 8 as. per mensem.
Skilled artisan	10 pice

Re. 1=4,000 to 4,800 *cowries* (Bolts)

### VI. Daily Wages for Ordinary Workers at the beginning of 19th century in North Bihar.

(Buchanan's Survey, 1807)

Ordinary workers	3 pice to 1 anna.
Skilled artisans	2 As. to 3 As.

<sup>72</sup> See C. R. Wilson: *Early Annals of the English in Bengal*, pp. 220 ff.



*VII. Daily Wages in the United Provinces*

	1812—20	1850	1870
Unskilled workers	1 a. to 1 a. 3 p.	1 a. 3 p. to 1 a. 6 p.	1 a. 9 p. to 2 as.
Skilled workers	2 as. to 3 as.	2 as. to 3 as.	3 as. to 4 as.
	1880	1890	1901—05
Unskilled workers	2 as.	2 as.	2 as. 3 p.
Skilled workers	3 as. to 4 as.	4 as.	4 as. 6 p.
	1911	1916	1928
Unskilled workers	2 as. 3 p.	2 as. 6 p.	3 as. 9 p.
Skilled workers	4 as. 6 p. to 5 as.	6 as. to 8 as.	8 as. to 10 as.
	1934	1938	
Unskilled workers	3 as.	3 as.	
Skilled workers	8 as. to 10 as.	8 as. to 10 as.	

*The Trend of Real Wages.**Real Wages Calculated on the Basis of the Prevailing Prices of Food-grains*

(Quantity Available (in seers) of food-grains)

The Mughal Period	Barley	Wheat	Jowar	Bajra	Gram	Rice
Wages of unskilled workers in Akbar's time: 2 <i>dams</i> .	6'78	4'52	5'42	9'04	6'78	2'71
Wages of skilled workers in Akbar's time: 6 to 7 <i>dams</i> .	20'34 to 23'73	13'56 to 15'82	16'27 to 18'98	27'12 to 31'64	20'34 to 23'73	8'13 to 9'48
Wages of unskilled workers in Jahangir's time: 5 to 6 pice.	12'5	8'3	10'23	16'7	12'5	5'01
Wages of skilled workers in Jahangir's time: 10 to 12 pice.	25'0	16'6	20'46	33'4	25'0	10'02

*Average Prices (Seers per Rupee)*

Pre-British Period	Barley	Wheat	Jowar	Bajra	Gram	Rice
1729	280	131.25	...	...	170.6	153
1807	70	70	...	...	...	120
	Quantity Available (in Seers) of Food grains					
Wages of unskilled workers in Calcutta at the beginning of the 18th century: 1 Pice to 1½ Pice	4.37 to 6.56	2.05 to 3.07	...	...	2.66 to 3.99	2.39 to 3.58
Wages of skilled workers in Calcutta at the beginning of the 18th century: 3 Pice to 1 Anna	13 to 17.5	6.14 to 8.2	...	...	7.98 to 10.64	7.16 to 9.56
Wages of unskilled workers in North Bihar and Bengal in 1807: 3 Pice to 1 Anna	3.2 to 4.375	3.2 to 4.375	...	...	...	5.62 to 7.5
Wages of skilled workers in North Bihar and Bengal in 1807: 2 As. to 3 As.	8.75 to 13.12	8.75 to 13.12	...	...	...	15.0 to 22.5

		1812—20		1850		1870							
		Unskilled 1 a. to 1 a. 3 p.	Skilled 2 as. to 3 as.	Unskilled 1 a. 3 p. to 1 a. 6 p.	Skilled 2 as. to 3 as.	Unskilled 1 a. 9 p. to 2 as.	Skilled 3 as. to 4 as.						
Money Wages	...	...	...	...	...	...	...						
Barley ...	...	2.3	2.9	4.6	6.9	3.2	3.5	5.1	7.6	2.8	3.2	4.8	6.4
Wheat ...	...	1.6	2.09	3.4	5.0	2.4	2.9	3.8	5.8	1.9	2.2	3.4	4.5
Jowar ...	...	2.1	2.6	4.2	6.3	3.3	3.9	5.2	7.8	2.8	3.2	4.8	6.4
Bajra ...	...	2.08	2.57	4.1	6.1	3.2	3.8	5.1	7.6	2.6	3.0	4.5	6.0
Gram ...	...	1.9	2.4	3.8	5.8	2.8	3.4	4.5	6.7	2.5	2.9	4.3	5.8
		1880		1890		1901—05							
Money Wages	...	Unskilled 2 as.	Skilled 3 as. to 4 as.	Unskilled 2 as.	Skilled 4 as.	Unskilled 2 as. 3 p.	Skilled 4 as. 6 p.						
Barley ...	...	3.75	5.62	7.5	5.0	3.09	6.18						
Wheat ...	...	2.37	3.5	5.75	3.75	1.96	3.92						
Jowar ...	...	3.25	4.8	6.5	4.75	3.09	6.18						
Bajra ...	...	2.75	4.2	5.5	4.25	2.8	5.6						
Gram ...	...	2.75	4.2	5.5	5.0	2.67	5.34						

	1911		1916		1928	
	Unskilled	Skilled	Unskilled	Skilled	Unskilled	Skilled
Money Wages ...	2 as. 3 p.	4 as. 6 p. to 5 as.	2 as. 6 p.	6 as. to 8 as.	3 as. 9 p.	8 as. to 10 as.
Barley ...	3'1	6'2 to 6'5	2'0	4'9 to 6'5	2'3	5'0 to 6'25
Wheat ...	1'8	3'6 to 4'1	1'6	3'75 to 5'0	1'6	3'5 to 4'4
Jowar ...	2'67	5'3 to 5'94	2'2	5'25 to 7'0	2'6	5'5 to 6'9
Bajra ...	2'4	4'8 to 5'3	1'9	4'5 to 6'0	2'3	5'0 to 6'25
Gram ...	2'67	5'3 to 5'94	2'0	4'9 to 6'5	1'9	4'0 to 5'0
	1934		1938			
	Unskilled	Skilled	Unskilled	Skilled		
Money Wages ...	3 as.	8 as. to 10 as.	3 as.	8 as. to 10 as.		
Barley ...	4'91	8'19 to 10'23	3'57	9'52 to 11'9		
Wheat ...	3'01	8'04 to 10'05	2'58	6'89 to 8'61		
Jowar ...	5'52	9'21 to 11'51	3'25	8'69 to 10'86		
Bajra ...	1'97	5'26 to 6'58	3'0	8'0 to 10'0		
Gram ...	2'40	6'41 to 8'001	2'88	7'69 to 9'61		

*Index Number of Real Wages of Unskilled Workers.*

1600 Base Year.

1600	100'00
1650	184'51
1729	62'04
1807	69'82
1812—20	35'98
1850	52'22
1870	43'15
1880	48'13
1890	36'48
1901—05	43'26
1911	40'14
1916	31'19
1928	33'75
1934	59'62
1938	49'06

*Index Number of Real Wages of Skilled Workers.*

1600 Base Year.

1600	100'00
1650	123'36
1729	53'48
1807	62'02
1812—20	23'58
1850	29'35
1870	24'97
1880	25'68
1890	21'89
1901—05	26'48
1911	25'91
1916	26'81
1928	25'43
1934	42'98
1938	45'33

We see from the above that the real wages in the U. P. as measured in terms of the five principal food grains of Northern India now are one-half to two-fifths of that in Akbar's time.

*Effects Upon the Standard of Living.*

It is clear from the study of the trends of prices that the present agricultural wage in Northern India is buying about one-half of the quantity of food grains available for the agricultural worker or day labourer on the prevailing scale of wages in Akbar's time. The most serious encroachment upon the standard of living, however, comes from the virtual banishment of ghee and milk products from the dietary of the lower classes. Butter, oil, and sugar have tremendously increased in prices. Both Pelsaert and De Laet have mentioned that the lower classes were consuming butter every day with *khichri*. Ghee and oil were much cheaper in Akbar's time relatively not merely to money but also to the food grains. Salt and sugar were also cheap relatively to both money and food grains. Terry specifically mentions the "great store of salt and abundance of sugar growing in India." Sugar which sold at the rate of 2d. per lb. or under (about 5 pice) also entered as an item of household consumption of the poorer classes more commonly in Mughal India than in contemporary Europe or modern India. In the Mughal age there was also a much larger use of the woollen goods. Blochmann observes that at the time of the Mughals, and before, the use of woollen stuffs and for the poorer class blankets was much more general than now. Blankets sold from four annas to two rupees. Buchanan writing at the beginning of the 19th century makes mention of the import of cotton wool from the west of India to Northern Bihar and Bengal at seventeen or fifteen rupees per maund. With respect to cloth and sugar it would appear that the decline of the home industries has been responsible for the lower standard of living in these respects. Buchanan's survey shows that the poorest people in North Bihar and Bengal could not afford the daily use of rice. They lived much on cakes made of maize, *china kangni* or other coarse grains and still more on those made of pulse.<sup>73</sup> "The supply of milk, oil, sugar, vegetables, pulse, salt and other seasoning is more scanty." Some could not obtain daily even the smallest quantity of oil and salt.

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<sup>73</sup> Martin: *Eastern India*, Vol. III, p. 109, Vol. III, p. 492.

Those who could not afford salt supplied its place by pot-ashes; or they compensated the deficiency in salt by ashes. No doubt the private monopoly of the servants of the East India Company and later on governmental monopoly pushed up salt prices. At the close of the 18th century a maund of Bengal salt sold at Patna for Rs. 3, while the worst quality of rice sold at 72 $\frac{1}{4}$  seers per rupee. In terms of rice salt had more than twelve times its present price.<sup>74</sup> With reference to shoes we have the stray statement of Barbosa that the common people in the city of Bengala used to wear shoes. Careri mentions also the use of shoes but this obviously refers to the upper classes. "The foot remains bare with a sort of flat shoes like our slippers; which are easily slipped off when they go into rooms, to keep them clean, they being covered with carpets." It would appear that with regard to other features in respect of the standard of living the common people were living then much as they live today, having only a few earthen utensils, bedsteads, bamboo mats and scanty bedding. Brass or bell-metal plates were not used generally by the lower classes. These have now obtained entry into the poor man's household. On the other hand, in many areas in Northern India gunny or sack cloths made out of local hemp have now given place to straw bedding. Matches, kerosene oil, and aluminium utensils, all imported goods, illustrate present items of the poor man's requirements which were unknown in the preceding centuries. India's foreign trade in the past was largely for the benefit of a small, extravagant aristocracy and merchant class. It did not contribute much to improve the standard of living of the mass of the population; while the weavers who represented the largest section of the industrial workers, and who should have benefited from the considerable expansion of cloth exports, were disorganised and at the mercy of an exploitative system of *dadani*. Their wages and economic condition were, however, far superior to those of this class to-day.

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<sup>74</sup> See Sinha: *Economic Annals of Bengal*, p. 187, Foot-note.



## SECTION IV

### The Social Stratification

#### *Food and Habitations of the Common People.*

Adequate data for appraising the standard of living of the peasantry in Mughal India are not available. But from the wages the standard of living can be easily inferred. We have, however, from Pelsaert an elaborate description of the food of urban dwellers in Jahangir's time. "They know little of the taste of meat," Pelsaert observes. Meat was, however, a forbidden food for the considerable majority of the population even in Agra. In Lahore Manrique saw shops selling the roast flesh of various domestic and wild animals, including horse flesh which was much used in place of pork that they did not use. For their monotonous daily food, Pelsaert continues, they have nothing but the *khichri* made of green pulse (which probably indicates moth) mixed with rice, which is cooked with water over a little fire until the moisture has evaporated and eaten hot with butter in the evening; in the day-time they munch a little parched pulse or other grain which they say suffices for their lean stomachs. Bernier also describes *khichri* as a mess of vegetables, the general food of the common people. For Western India Ovington (1689) mentioning that this dish is very common among the people observes that it is made of *dol*, i.e., a small round pea and rice boiled together. John Fryer (1673—1681) who travelled mostly on the Coromandel and Malabar coasts mentions "boiled rice, *nichany*, millet and (in great scarcity) grass-roots as the common food of the ordinary people; which with a pipe of tobacco contents them." The mention of tobacco consumption by the general

population is significant. *Khichri*, mentioned by a member of European travellers, did not, however, exclude wheat flour as the principal food of the poor people. In Northern India it is evident that wheat was usually consumed by the common people. Barley, gram, rice and millets were eaten probably according to the agricultural seasons. Terry mentions that the grain of Indian wheat is somewhat bigger and whiter than that of English wheat "of which the inhabitants make such pure well relished bread, that I may speak of it, which one said of the bread in the Bishoprick of Leige, it is, *Panis, pane melior*," and adds that the common people made their bread out of wheat, rice, barley and other food-grains in the form of cakes which they baked on small iron hearths. Thus bread made from wheat, gram and barley was what the people consumed in Northern India as they consume now. "To their bread they have great abundance of other good provision as butter and cheese by reason of their great number of cattle, sheep and goats." Three kinds of bread were noticed in the bazars of Lahore by Manrique: (1) *apas* (Tamil name for *chapati*), which is entirely of flour and forms the usual bread of the ordinary and poor people; (2) *caruchas* (kulcha), white good bread used by the richer and refined classes; and (3) *ragunis* (roghani), very fine bread, delicate in flavour and made from wheat flour. Prices of food grains were so cheap that the lowest grade of workers who in Akbar's time would earn 60 dams or Re. 1-8-0 a month could buy 135 seers (modern) of wheat, which would be more than adequate for a family of 5 persons. 60 dams would buy even larger quantities of the cheaper food grains, 202 seers of barley, 162 seers of jowar and 270 seers of bajra for monthly consumption. Thus Pelsaert's picture of the poverty of the common people is evidently exaggerated. Manrique (1629—1643) gives an accurate account of the food of the common people in Bengal: "Their daily meal consists of rice with which, if they have nothing else to add, they take salt and are satisfied. They also use a kind of herb which is usually called Xaga (*i.e.*, saka or greens); those better off use milk, *ghi* and other lacteous preparations." Fish and flesh are also used. But those who are vegetarians consume *kachari* (*i.e.*, *khichri*), a

dish made of rice mixed with lentil or *mung*. *Khichri* seems to have been a more common food in Northern India than at present.<sup>1</sup> Manrique even mentions a different and more luxurious kind of *kachari*, called Gujarati *kachari* (*khichri*) which is seasoned with various spices, and which is taken at feasts in Bengal. A candil of rice, roughly 20 maunds, costs only Rs. 3 or at most Rs. 4. Manrique did not fail to notice the extraordinary fineness and delicacy of flavour of Bengal rice, which is far superior to that of Europe, especially the scented variety. W. G. De Jongh (1628-29) mentions that the common people of Gujarat lived mostly on bread made from barley and remarks: "A common man or labourer who does not eat any thing else than bread made from this grain (barley), can easily live on 1½ stuivers daily, and taking many other things in addition, might well find 3 stuivers per day quite sufficient."<sup>2</sup> 1½ stuivers could buy about 6 lbs. of barley. No wonder that another European traveller Coryat (1612—1617) who travelled from Aleppo to Agra and spent only £3 during a period of ten months could say that he "yet fared reasonably well, every day victuals being so cheap in some countries where I travelled that I often times lived competently for a penny sterling a day." We have also an interesting evidence from Surat that the Indian "*laskars* were paid 3-4 rials at eight (i.e., Rs. 6—8) per month, besides their diet, little inferior to our own people."<sup>3</sup> Thus in the port town the *laskars* who of course had a standard of being superior to those of the ordinary workers, and received wages about four times those of ordinary workers, exhibited a food standard almost similar to Europeans.

Pelsaert's account of the poor man's habitations is as follows: "Their houses are built of mud with thatched roofs. Furniture there is little or none except some earthenware pots to hold water and for cooking and 2 beds, one for the man, the other for his wife; their bed cloths are scanty, merely a sheet or perhaps two, serving as under- and over-sheet. This is sufficient in the hot weather, but the bitter cold nights are miserable indeed,

<sup>1</sup> *Travels of Sebastian Manrique*, Vol. I, pp. 64-65.

<sup>2</sup> Brij Narain, *Indian Economic Life, Past and Present*, p. 7.

<sup>3</sup> *English Factories* (1642—1645), p. 186.

and they try to keep warm over little cow-dung fires.” The above is corroborated by Manrique’s observations from Bengal: “The people usually live in huts of mud and clay, low and thatched with straw or *olas*, which is the leaf of a palm. They keep their dwellings very clean, usually scouring them over constantly with the excrement of cattle dung mixed with mud, this being used not only on the walls but also the floors.” With regard to the furniture used by the common people Manrique mentions that it consists generally of a straw mat on which they sleep, using cotton quilts as bed covers (*kanthas*), four pots in which they cook rice and a few simple stews and other things of the same class, all of the poorest. Pelsaert’s and Manrique’s accounts of the houses of the common people may be compared with Dr. Fryer’s description of South Indian habitations: “The poorer (houses) are made of boughs or oleas of palmyras or leaves of teak and thatched both sides and coverings; the middle sort of gentues with mud one story; floored with cow-dung, which they do afresh every day after they have swept and cleansed them under which, their household gods, themselves, their family, and cattle, are all housed, and many times in no distinct partition. They plaster cow-dung before their doors and so keep them clean, having a little place or two, built up a foot square of mud, where they plant calaminth, or, (by them called) *tulce*, which they worship every morning and tend with diligence.”

It appears that in Western India the people were clothed better, wearing fine linen, though bought cheap, as well as coloured turbans, while slippers were also used. Della Valle gives an elaborate and interesting account of the dress of different classes of persons.<sup>4</sup> In Northern India Fitch records: “The people go all naked save a little cloth bound about their middle. In winter the men wear quilted gowns of cotton and quilted caps with a slit to look out at and so tied down beneath their ears.” He also mentions that the women have their necks, arms and ears decked with rings of silver, copper, tin (probably brass) and with round hoops made of ivory, adorned with amber stones and with many

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<sup>4</sup> Della Valle, *The Travels of Pietro della Valle to India*, pp 42ff.

agates. On their toes also they wear rings of silver and copper. Manrique's description of the clothes and ornaments of the common people in Bengal is similar. The common people wear cotton cloth, unshaped and unsewn, from the waist downwards. The size of the cloth is six to seven hand-breadths. They wear no shoes, but use a turban from 12 to 14 spans long, and 2 wide, costing in most places a quarter of a rupee. This custom has now disappeared. The women wear the same kind of cloth but in greater quantity, from 18 to 20 spans with which they completely cover their body. On festive occasions the women dress in various coloured silks or in cloth richly embroidered in gold and silver thread or silks. They usually have their arms covered with armlets and bracelets, and wear large rings in the ears and tiny rings in the nostrils. They wear necklaces as well which are usually made of bell-metal. Women of wealth and position, on festal days and at important ceremonies wear the same ornaments made of gold, richly encrusted with jewels.<sup>5</sup>

Incidentally it should be mentioned that there was great scarcity of fuel, especially in Agra in the Mughal age. The common people could not buy fuel, and their huts had to be built of mud. Ovington (1689) corroborates the above description.<sup>6</sup> Besides low wages Pelsaert also mentions another scourge for the working class. If the Governor, the nobles, the Diwan, the Kotwal, the Bakshi and other royal officers want a workman, the man is not asked if he is willing to come, but he is seized in the house or in the street, well-beaten if he should dare to raise any objection, and in the evening paid half his wages or nothing at all.<sup>7</sup> With deep sympathy for his poorer neighbours in the city of Agra, Pelsaert adds poignantly: "The life of the people can be described only as the home of stark want and the dwelling place of bitter woe." Yet "the people endure patiently, seeing that there is no prospect of anything better, and scarcely anyone will make an effort, for a ladder by which to climb higher is hard to find; a workman's

<sup>5</sup> *Travels*, Vol. I, p. 62.

<sup>6</sup> *A Voyage to Surati in the Year 1689*, p. 185.

<sup>7</sup> *Jahangir's India*, translated by Moreland.

children can follow no occupation other than their father's, nor can they marry into any other caste." Throughout India caste constituted a rigid economic frame which prevented any upward economic movement of individuals and groups. In the family infant marriage was the rule. Fitch remarks: "Their daughters be married at or before the age of 10. Their men may have seven wives." Polygamy was more prevalent in Hindu society in the 17th century than at present. There are frequent references to polygamy in medieval Bengali literature. Both infant marriage and polygamy led to the multiplication of population and contributed to lower the standard of living.

### *The Absence of a Middle Class.*

In Mughal India the lowest rung of the economic ladder was represented by the agrestic serfs; above them were the common peasantry who also lived in great poverty; next was the middle class composed of petty traders and merchants who were thrifty and rich, while at the top was a small but extremely luxurious aristocracy, wearing the most expensive apparel, eating the daintiest food and enjoying the pleasures of life. That the middle class was not powerful is well borne out by Bernier's pithy remark: "In Delhi there is no middle state. A man must either be of the highest rank or live miserably."<sup>8</sup> The shopkeepers, the traders, the merchants, the bankers as well as the physicians and the writer-caste constituted the middle class in Mughal India. Physicians earned large fortunes by their practice. Linschoten (1583—89) found the Indian physicians at Goa prosperous with lucrative practice both among the Portuguese and the native population and earning high honour and esteem. Astrologers were also in large demand especially among the nobility and acquired large wealth. In a sketch of rural society in Bengal, bequeathed to us by the Bengali poet, Mukundaram, who composed his epic probably between 1578—1589 in Burdwan, we have an interesting description of the economic

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<sup>8</sup> Bernier, *Travels*, p. 252.

hierarchy in that province before it was materially affected by Muslim rule. The following classes were mentioned:

- (1) The higher class Brahmans who were learned and who taught in their *tols*.
- (2) The lower class Brahmans who served as priests of temples and depended on contributions given by the villagers, milk from the cowherd, oil from the oil-presser, sweet-meat from the confectioner and rice *couries* and balls of pulse (*dalbari*) from the general population.
- (3) The village astrologers or minstrels who also subsisted on offerings obtained from house to house.
- (4) The professional class represented chiefly by physicians and the writer-caste (*Kayasthas*). The *Kayasthas* were proud of their learning, boasted that they were the ornaments of the place and claimed that they should have the best lands and houses rent-free. Physicians also thrived, going about decked in fine clothes with palm-leaf books under their arms.
- (5) The *Vaisyas* who were traders, "a happy set of men, always buying and selling." Some tilled land, tended cows and were carriers. Some of them went to distant land by river and by sea, their boats going out with local produce to the island of Ceylon and returned with cargoes and luxury articles, such as sandalwood, conch shells, *pashtu* shawls, and Tibetan fly-whisks.
- (6) The agriculturist caste represented by the *Hakil Gopes* and the *Baruis*. The latter cultivated betel.
- (7) The artisan castes represented by goldsmiths, blacksmiths, braziers, potters, carpenters, dyers, oilmen, confectioners, spice dealers, conch-shell



bangle-makers, cotton-weavers and silk-weavers. The last of these were encouraged by the assignment of rent-free lands.

- (8) The low castes including the Doms, hunters, fishermen, date-palm-tappers and watchmen.
- (9) The depressed castes who lived in the suburbs, such as the Kols, Korenas and Maharattas. The occupation of the last is to tap for the cure of diseased spleens, and to operate for cataract.

Such is the picture of rural social life in medieval Bengal given to us by an observant and sympathetic Bengali poet, who vividly depicts the misery to which the rural population could be reduced by local representatives of the Mughal government uniting power with irresponsibility. The village lands were surveyed as a preliminary to the assessment of land revenue, in order to ascertain the proportion of the produce or its cash value which the State could claim. The survey was vitiated by false measurements; waste land was entered as arable and assessed accordingly; the demand was put at such a high figure that it was beyond the capacity of the villagers to pay it. To raise money they sold their stocks of rice and cattle, but they could get only a fraction of their value, and at length there was no one left to buy. They then turned to the money-lenders, who were as cunning and extortionate as their modern representatives, charging exorbitant rates of interest and paying in hard cash only seven-eighths of the agreed sum, the balance being deducted as interest in advance. The money-lenders were 'death' to the people. Guards were stationed round the village to prevent cultivators absconding, but the poet himself managed to make his escape in a state of destitution, leaving the holding which had been in the possession of his family for six or seven generations.<sup>9</sup> Fleeing from the oppression of the Mughal *dihidar*, he sought refuge in the household of a Brahman king at Midnapore, and engaged himself as

<sup>9</sup> J. N. Das Gupta, *Bengal in the Sixteenth Century A.D.* (Calcutta, 1914). O'Malley, *Modern India and the West*, p. 11-12.

his son's tutor. The poet also describes the cunning and deceit of the trading class. The rich Bania does not even have any scruples to obtain meat and fuel on credit from a poor hunter to whom he owes only  $1\frac{1}{2}$  *buri* or  $7\frac{1}{2}$  *gandas* ( $1\frac{1}{2}$  pice). The latter lives from hand to mouth and is repaid in rice particles, rice and *cowries*. He cannot even buy earthenwares, but stores *amani* rice by digging a hole in the floor of the hut, and on the day when he cannot sell meat he and his wife subsist on wild fruits (*boinchee*). Their clothing in winter is deer skin, and they protect themselves from cold with an old wrapper (*kantha*) which tears itself into shreds on being stretched. The considerable proportion of the population in the Indian villages eked out a bare subsistence. The contrast between the pomp and luxury of the Omraos, officers and fief-holders in the cities and towns and the misery of the rural population was vivid. The absence of a strong middle class, except in the Western and Coromandel Coasts and the sea-ports of Bengal, aggravated the cleavage between the aristocracy and the masses. This did not escape the notice of Sir Thomas Roe, who shrewdly observed "(The people) live as fishes do in the sea—the great ones eat up the little. For first the farmer robs the peasant, the gentleman robs the farmer, the greater robs the lesser and the king robs all." Pelsaert also comments in a socialistic vein: "In the palaces of these lords dwells all the wealth there is, wealth which glitters indeed, but is borrowed, wrung from the sweat of the poor. Consequently their position is as unstable as the wind resting on no firm foundation; but rather on pillars of glass, resplendent in the eyes of the world, but collapsing under the stress of even a slight storm."

#### *The Luxuries of the Nobility.*

The food of the rich consisted of *birinj* (dressed rice), *oeshalia* (spiced meat), *pollaeb* (*pulao*) which is yellow, red, green or black, *zueyla* (probably t'huli, spiced wheaten cakes), *dupaiza*; also roast meats and various other good courses, served on very large dishes. Fruits of different varieties were also regularly eaten by the nobility. We find a brief description in *Wakiat-i-Jahangiri* (p. 349) which refers to the "celebrated

melons of Karez, Badakhshan, and Kabul, grapes from the latter place as well as from Samarkand. The sweet pomegranates of Yazd, and the subacid one of Farrah, pears from Samarkand and Badakhshan, apples from Kashmir, Kabul, Jalalabad and Samarkand were also there. Pine-apples from the sea-ports of the Europeans were also in the tray." It is also pointed out that in the time of Akbar who was exceedingly fond of fruits, the melons from Karez, the pomegranates from Yazd and pears from Samarkand were never brought to India. Bernier points out that these fruits were very dear; "a single melon selling for a crown and a half." But "nothing is considered so great a treat, it forms the chief expense of the Omrahas." White sugar which sold at the high price of 128 dams per maund was beyond the reach of the bulk of the population. Ice which was also very costly was also consumed by the nobility all the year round. "Gold and silver were used more in serving food than we (Dutch) do in our country," observes Pelsaert; while cots and other furniture of kinds unknown in our country were also lavishly ornamented with gold and silver. Chinese porcelain goods, European glass-wares, velvets, broad cloths and wines as well as Abyssinian slaves were also commonly met with in the houses of the Mughal nobility.

We cannot expect accurate descriptions of the food and social habits of the common people in the Mughal chronicles or from the European travellers, most of whom, including Pelsaert, lived in the city or, again, in the correspondence of the English and Dutch factors. But the contrast between the extravagance of the rich and the misery of the peasants and artisans is insisted upon by many, especially by Pelsaert, Bernier, Tavernier and Van Twist. Bernier describes rice, barley, chick-peas, wheat and other grains and pulses as the ordinary food not only of the Hindus who never eat meat but of the lower classes of the Muhammadans and a considerable portion of the military.<sup>10</sup> Elsewhere Bernier observes: "These poor people (the cultivators are referred to here), when incapable of discharging the demands of their rapacious lords, are not only deprived of the means of

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<sup>10</sup> Bernier, *Travels*, p. 249.

subsistence, but are bereft of their children, who are carried away as slaves." Manrique supports this observation. He relates the oppression exercised upon the common people by the *shiqdars* or revenue collectors. The *shiqdars* in order to keep the people more subject and impotent augment their tribute (revenue), making them pay four or six months' tribute in advance. They only hold their governorship for a short period, simply at the Emperor's wish, who when they least expect it either transfers them to more important positions or merely deprives them of their governorship. On this account they are always used to exact all the tribute in advance, often by force, and when the wretched people have no means of paying this, they seize their wives and children, making them into slaves and selling them by auction.<sup>11</sup> Again, speaking of the artisans, Bernier says, "He never can become rich, and he feels no trifling matter, if he have the means of satisfying the cravings of hunger and covering his body with the coarsest garment. If money be gained, it does not in any measure go into his pocket but only serves to increase the wealth of the merchant." On the other hand, the merchant was also subject to occasional confiscation of wealth while the practice of escheating was also prevalent. It is mentioned that Mir Jumla once demanded Rs. 50,000 from the merchants of Dacca. On refusal they were threatened with death by being trampled by elephants and compromised for Rs. 25,000, while the bankers of the city appeased his wrath by paying Rs. 300,000 without further ado. Occasionally, however, the mercantile community could protest successfully against the exactions of a Governor or high administrative officer by *hartal* or suspension of business.

### *The Economic Condition of the Artisans.*

It was the excessive price of the raw materials as well as the burden of miscellaneous cesses levied on the artisans and their products which drove them into the clutches of the middleman and the financier. Thus the artisans could not overcome the periodic crises of scarcity and famine which left them altogether destitute,

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<sup>11</sup> *Travels of Sebastian Manrique*, Vol. I, p. 53.

as is abundantly testified by the Surat and Madras factors, with reference to the weaving communities. On the other hand, since the market of the principal handicrafts and artistic industries was chiefly confined to the limited class of the Mughal aristocracy, there was little scope of expansion for this class of crafts. Besides, the Mughal nobility often preferred foreign products, novelties and “toys.” We have, however, the shining example of Akbar directing certain ranks of the nobility to wear particular kinds of indigenous fabrics, and inducing carpet-weavers of Persia to settle in Agra, Fatehpur-Sikri and Lahore. Akbar’s patronage was directly responsible for the expansion of silk, carpet and shawl-weaving industries in different parts of India and amelioration of the lot of workers in these fields. We read in the *Ain-i-Akbari*: “Through the attention of His Majesty, a variety of new manufactures is established in the country; and the cloths fabricated in Persia, Europe and China have become cheap and plenty. The skill of manufactures has increased with their number.” “Now shawls are worn by people of all degrees.” These were formerly high priced and used to come from Kashmir generally for the nobility. “In Lahore there are upwards of a thousand manufactories of this commodity.”<sup>12</sup> From *Akbar-nama* we also learn that Akbar caused to be sent intelligent artisans to Goa with a view “to examine and bring to the Emperor’s knowledge the various productions of art and skill to be found at that time.” “The artisans who had gone there to acquire knowledge exhibited their skill and received applause,” when they returned to the Court.

### *The Scarcity of Salt and Oil.*

For an accurate and vivid description of the standard of living of the common people, similar to Pelsaert’s, we have to wait till the beginning of the 19th century, when Dr. Buchanan made one of the most intensive economic surveys ever undertaken in India. He describes the diet of the common people in Northern Bengal as consisting of boiled rice or other grain (such cheap

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<sup>12</sup> *Ain*, p. 79.

millet as *china kangni*), which is seasoned with a few wild herbs boiled with pot-ashes and capsicum. This tallies with an earlier description of the diet in Bengal by Bernier. "Three or four sorts of vegetables together with rice and butter (ghee) form the chief food of the common people." "These," he also observes, "are purchased for the merest trifle." Salt was too costly for many labourers who were compelled to substitute wood ashes for it. It was only occasionally that the common people could procure oil or fish. Onion and garlic were sometimes added to make the food savoury. A poor person consumed about 3 seers of rough rice per mensem; the oil consumption was 3 chattaks for each person, young and old. For a family living at ease, the consumption of oil increased to  $1\frac{1}{2}$  seers per mensem; and now salt would be consumed  $\frac{3}{4}$  seer of 80 S. W. ( $\frac{1}{54}/100$  lb.) would represent the average consumption for each person, young and old. Sack cloth made from jute was worn by the poorer classes probably throughout the nineteenth century in parts of North Bihar and Bengal.

### *Slavery and Serfdom.*

Among the domestics, both male and female, there were many slaves at the end of the 18th century in North Bihar and North Bengal, especially towards Assam, indeed, everywhere along the northern frontier. The sale of debtors (not being Muhammedans) seems to have been a common practice in Muhammedan countries. We have already referred to Manrique's statement that the Governors of the Province would seize the wives and children of those cultivators who could not pay off the revenue, made them into slaves and sold them by auction.<sup>13</sup> Hamilton mentions that he was himself empowered to sell up the families of his creditors in Tatta without going to court.<sup>14</sup> Famine and epidemic caused indebtedness which thus was responsible for a considerable amount of slavery that was normally in existence. Slaves of the male sex were called

<sup>13</sup> *Travels of Sebastian Manrique*, Vol. I, p. 53.

<sup>14</sup> *East India*, Vol. I, p. 121.

*Golams* or *Nafars*, and the women called *Laundis*. Slavery was especially prevalent in Behar (sharif) and, indeed, in those parts of North Bihar and North Bengal, wherever the nobility was represented by the Muslims and the Muhammedan law prevailed.

But throughout Bihar and Bengal slaves were employed not merely as domestics but also as agricultural workers. These serfs cultivated for their masters who had small estates or rented lands and received an allowance of grain and coarse cloth for subsistence. The allowances usually given was a piece of coarse cloth and about 15 maunds of grain (985 lbs.). The slaves generally belonged to the depressed castes like the Dhanuks, Chamars, and Rawaries who sold their children. The prices of slaves mentioned by Buchanan were:

An adult slave	Rs. 15 to Rs. 20
A lad of 16	Rs. 12 to Rs. 20
A girl of 8 to 10 yrs.	Rs. 5 to Rs. 15.

Or, again, for each year of his age until he reached 20, he fetched a rupee. In Purnea, Gaya, Sahabad, Bhagalpur and some other districts slaves were sold. "The Assamese," observes Buchanan, "sell a good many slaves and the people of Bihar are willing to carry on the same trade."<sup>15</sup> In 1812 it was estimated that one-sixth of the population of Sylhet consisted of slaves, mostly the descendants of insolvent debtors; in Kamrup 12,000 slaves were released after its cessation to the British.<sup>16</sup> Agrestic serfdom continued in India until the middle of the 19th century, especially in the Panjab, the Deccan, Eastern U.P., North Bihar, North Bengal, Assam, Orissa, Central India, Central Provinces, the south-western and the south-eastern coast of India.

It is well known that the Portuguese carried on a profitable trade in slaves, captured especially from Bengal, including "men, women, children and even babies at the breast," who were carried off, and sold at the slave market at Hooghly. This nefarious trade in which the Portuguese, Maghs or Arakanese participated continued till the 19th century. The Arab merchants also shared in the profits

<sup>15</sup> Martin, *Eastern India*, Vol. III, p. 496.

<sup>16</sup> See Martin, *Eastern India*, Vol. III, p. 289.



of the slave trade. The Portuguese traveller Barbosa who came to Bengal in 1514 records: "The Moorish merchants of this city go into the interior of the country and buy many Gentile children of their fathers and mothers, or of others who steal them, and castrate them. Some of them die of it, and those who recover they bring them up very well, and sell them as merchandise for twenty or thirty ducats each to the Persians, who value them much as guards to their wives and houses." Jehangir also mentions the custom prevalent in Hindusthan, especially in the province of Sylhet, of the people to make eunuchs of some of their sons and give them to the Governor of the Province in place of revenue. A royal proclamation prohibited this "abominable custom" and the traffic in young eunuchs. It is not clear to what extent the imperial decree produced its desired effect.

Manrique mentions that the Aracanese landed at Hooghly those people whom they had taken as prisoners in their own land. These were purchased as slaves not only by the Portuguese but also by the people of Hooghly who sent them to different parts of India. Within five years of Manrique's stay in Aracan the Portuguese and Magh slave-raiders brought to Dianga and Angarcale about 18,000 souls from Bengal; Jessore, Bakla, Selimabad (a part of Bakarganj), Hijli and Orissa were the chief hunting ground, in fact no part was secure from Chittagong to Hooghly.

At the beginning of the 17th century the majority of the inhabitants of Goa was described as slaves. A report on slavery issued in 1841 mentions that slavery prevailed more or less throughout the presidencies of Bengal and Madras and mentioned cases of owners who had as many as 2,000 slaves. Male slavery was extinguished earlier than female slavery which still persists, while hereditary serfdom of the labouring classes dies hard, especially in regions where low and untouchable castes are widespread. Even today throughout Bihar, a recent survey undertaken by me in the villages shows that agrestic serfdom is still prevalent, wherever there is a considerable proportion of the depressed caste population such as the Dom, Chamar and Dhanuk. For the



purpose of a marriage debt is incurred, and as long as the debt remains unpaid the children of the debtor have to remain and work on the farm or estate of a superior caste. Since wages are paid in kind the opportunities of release from bondage are few; while when there is no work in the master's farm, they are allowed no allowances of grain. In Chota Nagpur, the Kamiauti Agreements Act has sought to abolish serfdom but oral indentures are still prevalent and a large proportion of farm hands live in semi-slavery.

*Effects of Wars on Economic Conditions.*

No doubt the principal causes of low wages and standard of living were the high density of population, the competition for land and the periodical droughts or famines. It ought to be mentioned that after each severe famine in the past there was a sudden spurt of population growth. This was a noticeable feature in the later nineteenth century. But Buchanan observed early in the 19th century that there was in North Bihar "an overflowing population when the population recovered from the effects of the dreadful famine of 1770."<sup>17</sup> Population, however, had its ups and downs in Mughal India; it exhibited an uninterrupted growth only since the seventies of the last century. In the 17th and 18th centuries and the greater part of the 19th century famines did play their role in reducing the population and "disjointing all trade and economic life out of frame." But even without the visitation of famines the Maratha raids worked havoc in the countryside and indirectly contributed to reduce even further the standard of living of the common people. From Akbar to Shah Jahan the country, especially the richer and more heavily populated northern part, enjoyed relative peace and prosperity, but Aurangzeb's campaigns caused severe loss of human life and destruction of crops and forests. As the imperial army traversed a region during its campaign the entire territory was laid bare and desolation overtook it. Manucci describes that Aurangzeb left behind him the fields of these provinces devoid of trees and bare of crops, their places being taken by the bones

<sup>17</sup> Quoted in O'Malley, *Modern India and the West*, p. 71.

of men and beasts. "Even in the imperial camp," observes Sarkar, "where greater comfort and security might have been expected, privations were experienced; the annual wastage of the Deccan wars was one lakh of men, and three lakhs of horses, oxen, camels and elephants." Agriculture was also dislocated during these campaigns not merely through forced labour, violent capture and food shortage of the peasantry but also by the devastating epidemics which accompanied some of the Mughal campaigns. Nor should the effects of the guerilla warfare carried on by the Marathas be disregarded in their effects on economic conditions. The plundering hordes of the Marathas destroyed everything what they could not loot. They used to feed their cavalry on standing crops and ravaged and burnt whole villages.

#### *Degeneration of the Mughal Aristocracy.*

Increase of population of the ruling Muhammedan and Rajput stocks in India could not be expected. The Muslim aristocracy obeyed the pernicious practice according to which the state confiscated all lands and personal effects on the death of a nobleman, so that if his sons obtained anything it was merely an act of grace on the part of the Emperor. Careri mentions that "for this reason no family can continue long great, but sometimes the son of an *Omrah* goes abegging." This escheat system was characterised as "barbarous and ancient" by Bernier. Hawkins gives a more favourable account of the custom. "The custom of this Moghul Emperor is to take possession of his noblemen's treasure when they die and bestow on their children what he pleases; commonly he deals well with them, possessing them with their father's land, dividing it amongst them; and unto the eldest son he has a very great respect who in time receives the full title of his father."<sup>18</sup> Property belonged to and was escheated to the Crown on the death of a nobleman, whose son or heir by no means obtained possession of a *mansab* or *jaigir* except through the sweet will of the Emperor. Even during a nobleman's lifetime *mansabs* and *jagirs* were arbitrarily transferred to others at

<sup>18</sup> Foster, *Early Travels in India*, p. 194.

the behest of the Emperor. The Mughal princes were not exempted from this general practice. The *jaigirs* which were held by Shah Jehan were transferred to Prince Shariyar. The custom on the whole naturally resulted in extravagance and luxury in the Court, a large *harem* and concubinage and the disregard of family obligations which were encouraged by the immoral atmosphere in the capital cities. Almost the entire nobility had to accompany the Emperor in his campaigns and for a whole generation the sons of the aristocracy had to spend their entire youth in the camp without being able to live in their homes. Even the war-like Rajputs complained that if they were to spend their whole life in the Deccan in the campaigns of conquest they would not be able to have home-life and rear families. It was in this manner that the actual loss of human lives in wars, destruction of crops and trees, ravaging epidemics that followed imperial campaigns, famines and continuous camp life for a whole generation on the part of the nobility directly or indirectly contributed to cause both reduction of the population and impoverishment of the peasantry. Further, polygamy and the maintenance of a *harem* which was recruited from all castes, races and grades of society led to the deterioration of the stock. Miscegenation was no doubt the chief cause of the degeneration of the Turkish and Afghan nobility settled in India. An admixture of the Afghans, Turks, Persians, Arabs and Uzbegs constituted the so-called Mughal Court. It was the new-comers especially the Persians, who were given preference in high administrative or military appointments. The bulk of the Mughals of the third or fourth generation was employed in the army. Nor can we disregard the influence of the warm climate and mode of living in India in sapping the vitality of the once warlike stocks from Western Asia. If there was any hereditary aristocracy in India it lingered among the kingdoms and the principalities of the Hindus as in Rajputana and Vijayanagar.

#### *The Expropriation of Village Communities.*

Political and economic disorder supported each other in India throughout the 17th century. Aurangzeb's series of un-

interrupted wars in which there was no respite, permitting financial recoupment, depleted the Imperial treasury. The military campaigns were indirectly costly, not merely in their effect on the devastation in the country-side by the armies and camp followers, but also in the distribution of the territory of the Empire as *jagirs* to soldiers and military and civil officers for the satisfaction of their dues. Where the might of arms did not succeed to capture a fort, heavy bribery was resorted to, and this multiplied enormously the list of assignees and grantees to whom reckless promises were made by the Emperor. It is true that the *jagirs* could not be taken possession of easily but the scramble for these led to contests between the rivals and the appointment of an army of *shiqdars* and *amlas*, the effects of which were altogether unfavourable to the peasantry. This also encouraged the quick succession of *jagirdars* which resulted in the exploitation of the peasants and even the abandonment of whole *purganahas*. On the other hand, as the rent collection dwindled the Governors of the provinces were compelled to reduce their army establishments which encouraged all kinds of people from such agricultural-military castes and tribes, such as the Jats (western U.P.), Mewatis (South-Western Delhi), Bais and Rajputs (Oudh), and Ujjanias (South Bihar) to feudal chiefs and nobles, in carving out estates and villages for themselves. Thus began the expropriation of the village communities by warlike and landlord families, tribes and castes which often resulted in the displacement of entire rural populations. The Bhars of Oudh and Eastern U.P. who had their strong-holds in Unao, Fyzabad, Rae Bareli and Mirzapur were displaced by the Muhammedans and Rajputs, suppressed by Ibrahim Shah of Jaunpur (1401—1440), and finally reduced to a depressed caste in the U.P. and expelled to Bihar where they are now designated as Kshatriyas. The Tharus of the eastern sub-Himalayan districts of U.P. were replaced by the Dom or the Domkatar tribe which was succeeded by the Bhars. The latter left no traces and were superseded by Kalahangsa Rajputs. These were in turn expelled by Visens who came from Gandha. When Major Rutledge took possession of Gorakhpur, this tribe and its vassals had about hundred petty

forts.<sup>19</sup> Such is in brief the social succession in one district with significant consequences of expulsion and expropriation of the peasantry. The Tharus have been now driven to the swamp and jungle of the Terai, but ruins attributed to them are scattered about in many northern districts. Similarly the Cheros of the eastern districts of the U.P. and the southern districts of Bihar were reduced to an untouchable and despised caste during several centuries of unsettlement. Even so late as the time of Sher Shah the Cheros wielded a formidable influence. The Seoris, who appear to have been next to the Bhars the most powerful of the aboriginal tribes in the middle Ganges basin, held wide territory in Jaunpur, Ghazipur and Shahabad, but were displaced and expropriated after bitter conflict by the Cheros. India's social history is yet to be written. The migration of military and aristocratic feudal chiefs and agricultural tribes and clans, and the expropriation of original land-owners and tillers of the soil, so marked in Northern India since the Muhammedan invaders first scattered the Rajput Chauhans and the Chandels in the 12th and the 13th centuries, is a silent process of change of the economics and politics of the land about which Indian history tells us very little.

*Transformation of the Mughal Social Structure.*

The Mughal social structure which may be likened to a pyramid standing on its apex underwent a profound transformation in the eighteenth century. The small but extremely rich and extravagant upper class dwindled, and a new aristocracy composed of the city merchants and traders emerged. In spite of a variety of imposts, fines and exactions a class of rich shopkeepers, traders and financiers developed in the larger towns of India. In the Imperial Capital, Delhi, Mandelslo records that there were 80 caravenserais for foreign merchants, most of them three stories high, with very noble lodgings, store-houses, vaults and stables belonging to them. It was estimated by Manrique (1629—1643) that at the town of Patna there were as many as

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<sup>19</sup> See Martin, *Eastern India*, Vol. III, p. 382.

600 brokers and middlemen most of whom are wealthy. At Agra Manrique found merchants of immense wealth, especially those known by the generic title of Sodagar (*Saudagar*) and by the local appellation of Katwri (*Khatri*) and referred to vast sums of money piled up like heaps of grains in their houses.<sup>20</sup> Similarly in Dacca money was heaped up in such large quantities in the houses of the Kataris that being difficult to count it used commonly to be weighed. Of the Banias of Gujarat, W. G. de Jough writes: "One finds the Banias all along the coast, that is in Goa, Coromandal, and Bengal, making a living by trade. On the other side they are found in Persia, Ormus, Gomeron, Dieu, Dabol, up to Mocha who, like the others mentioned before, live by trade. Many of them are brokers . . . . Among these Banias there are many substantial merchants, who do a great amount of trade, so that the largest trade and the best is carried on by them, and they do more trade than the Muhammedans. They are sharp businessmen and honest in payment . . . . Among them there are many money-changers, found in all places in these parts."<sup>21</sup> Reference may be made here to the celebrated Gujerati merchant, Virji Vora (1619—1670), who controlled the entire trade of Surat and a large portion of the coastal trade to Malabar, had his establishments in such distant centres as Agra, Burhanpur, and Golconda, and traded with the Persian Gulf and the Indian Archipelago. He was regarded as the then richest man in the world, worth, in the estimate of Thevenot, at least 8 millions. Similarly in Bengal there were the Seths of Murshidabad who represented a most influential banking and financial house, advanced money to both the farmers of revenue and Nawabs of Bengal, and wielded great political influence at the time of the advent of the English in that Province. The Indian merchants were described by William Finch "as subtle as the devil," i.e., they showed themselves as shrewd businessmen. President Pitt

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<sup>20</sup> *Travels of Sebastian Manrique*, Vol. 2, p. 156, and Vol. 1, p. 44.

<sup>21</sup> Collection of the papers of W. G. de Jongh in the Dutch Records Office at the Hague, No. 128, quoted by Brij Narain, *Indian Economic Life, Past and Present*, p. 61.

of Madras, grand-father of the Earl of Chatham, observed, however, that it was through the example of the European merchants that the Indian traders have grown "very crafty and cautious," and "no people better understand their own interest, so that it was easier to effect that in one year which you shan't do now in a century, and the more obliging your management, the more jealous as they are of you."<sup>22</sup> Some of them grew immensely rich by acting as intermediaries of the European merchants, and they as well as the small middle class population profited from the expansion of Indian export trade in calico, indigo, sugar and saltpetre. But they could not indulge in expenditure for luxuries such as might arouse the jealousy and wrath of officials; while in profitable fields of business they had to face the competition of members of the Imperial Court, Governors, and high officials who entered into trade at suitable opportunities and interfered with it by setting up monopolies or combines. But on the whole the development of both internal and foreign trade, and especially wholesale and lengthy trade operations gradually built up a strong and competent mercantile community throughout the land. With the disintegration of the Mughal Empire, the East India Company became very powerful and as they established their monopoly in cloth, salt, betelnut, tobacco and other business they displaced the Indian merchants. Such displacement was brought about only in the course of a century in Bengal, and involved the ruin of Armenian, Bengalee and up-country merchants.<sup>23</sup> Many persons belonging to trading and money-lending classes gave up trade and acquired large and small estates. The accumulated capital came to be invested more in the land than in trade and industry. The middle class, which was small and weak in Mughal India, was swept away, and this increased the gulf between the new rich, the landed aristocracy and the peasantry. The more powerful agricultural-military tribes and castes also became proprietors of the land. Village communities fast disintegrated causing the obliteration of

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<sup>22</sup> Bruce, *Annals*, 1707-8.

<sup>23</sup> See Bolts, *Considerations*, p. 197.



many cherished customary rights and privileges of the ryots. The cultivators gradually lost their customary rights and privileges, while as new classes intervened between the actual tillers of the soil and the state the profits of agriculture could not go back to the land, but were intercepted by the increasing group of intermediaries. A class, not altogether new to India, the landless proletariat comprising of serfs and farm hands, also multiplied and was soon to come to great prominence in the economic life of the country. Agrestic slavery in all probability became common in the eighteenth century. As villages were abandoned wholesale by the peasantry due to heavy assessment, men, women and children were sold to slavery. Prisoners of war were distributed under the Mughal regime as slaves among the fiefholders and officers and their descendants as they multiplied, continued in slavery. Akbar forbade this practice which, however, seemed to have been continued. One Viceroy of a Province alone made prisoners of half a million persons during a war and sold them off as slaves. Many more became slaves in times of famine or severe drought while there also prevailed the practice, described by Finch, of enclosing in the forests the king's *shikar* or game, whether men or beasts, as the result of which many people belonging to the primitive tribes, 'poor, miserable, theevish people that live in woods and deserts,' were captured as slaves, or sent to Kabul "to barter for horse and dogs." In a Bengali document (1729) we read that a person sold himself for ever with his wife and children for Rs. 11 only on the condition that his descendants would be likewise bound to serve his master's descendants for all generations to come. When holdings were sold off such serfs were also transferred to the new owner.<sup>24</sup> In the later decades due to the extension of cultivated area and reclamation of virgin land there was an increasing demand for free labour and agrestic serfdom gradually declined or got rid of its archaic features. Agrestic serfdom still survives in the frontiers of cultivation in the woods and deserts as well as in the

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<sup>24</sup> Mittra, *Types of Early Bengali Prose*, p. 87, quoted in Datta, *History of Bengal Subah*, p. 493.

plains where the aboriginal element of the population is predominant. The gradual displacement of the weaving population, which was the most considerable section among the industrial workers, from the handicraft, and their crowding on to the land, marked from the close of the eighteenth century were synchronous with a rapid multiplication of population. Population increase, de-industrialisation and rapid expansion of the landless proletariat invested the Indian social structure with features which became more sharply defined as the 19th century progressed.

## SECTION V

## Industries and Markets

*The Organisation and Products of Handicrafts.*

During the Mughal period there was in India a considerable variety of arts and handicrafts which, indeed, exhibited a more advanced economic and financial organisation than the crafts in contemporary Europe. In the first place, in several handicrafts the specialisation of tasks advanced to the extent that particular groups of artisans came to undertake distinct processes in the chain of production. Such integration and co-ordination of production were hardly reached in European handicrafts. Secondly, there were whole villages and *muhallas* of cities and towns which devoted themselves to production of specialised products, whether cotton or silk fabric, gold, silver and brass manufacture, bidri work, or ivory, to mention only a few that commanded both Indian as well as foreign markets. Thirdly, the foreign trade in products of Indian arts and handicrafts developed a corresponding organisation of production, under which master artisans or entrepreneurs brought together groups of artisans who worked for them on the wage basis, and an organisation of trade and finance under which a chain of itinerant intermediaries, including English and Dutch merchants, when they realised the importance of the Indian export trade in calicoes, gave advances to artisans to obtain their products. Artisans worked on their own account as well as in *karkhanas*, big and small, under master artisans, dealers and financiers.

In the Mughal Empire there grew up a large variety of state *karkhanas* for fabricating various kinds of products of handicrafts. The organisation was that craftsmen in different fields of industry were assembled in a *karkhana* which was placed in charge of a *malik* over whom there was the State General Superintendent of Arts and Crafts. Bernier gives a description of the factories at work in the Mughal capital: "Large halls are seen in many places, called *karkhanas* or workshops for the

artisans. In one hall embroiderers are busily employed, superintended by a master. In another you see goldsmiths, in a third painters, in a fourth varnishers in lacquer-work, in a fifth joiners, turners, tailors, shoemakers, in a sixth manufacturers of silk, brocade, and those fine muslins of which are made turbans, girdles with golden flowers, and (the fine) drawers worn by females . . . . beautifully embroidered with needle work. The artisans repair every morning to their respective workshops, where they remain employed the whole day; and in the evening return to their homes." The imperial government had also its own *karkhanas* at Lahore, Agra, Fatehpur, Ahmedabad, Burhanpur and Kashmir. Where there was no imperial *karkhana*, imperial authority to secure the supply of products was insured by the appointment of State overseers, or an imperial monopoly was straightway established. Thus in Ahmedabad, Shah Jahan by a royal edict gave the monopoly of the trade in indigo throughout the Empire for 3 years to a Hindu merchant, Manohar Das, who was to be assisted by a loan from the royal treasury, which was to share in the profits of the trade. The Dutch and English factors protested strongly, but with no result since behind the Hindu merchant stood an influential noble, Mir Jumla.<sup>25</sup> Again, in the same city the Emperor "made saltpetre his own commodity," and prevented merchants, including the European factors, to buy it in his Kingdom so long as his own stock remained unsold.<sup>26</sup> Peter Mundy records that the sale of skein silk in Patna seems to have been a monopoly of the Governor. All silk yarn had to be bought through the *Kotwal* of that city at rates 25 to 37 per cent higher than what the latter paid to the dealers. Similarly a Darogha of the King's Weavers was appointed for Bengal for the regular supply of muslin to the Imperial Court. Sometimes the interference of the administration went to the extent of monopolising looms to provide cargo for trade by an official. Or an embargo was placed on the purchase and sale of certain luxuries. Shah Jahan forbade the use of *kim*

<sup>25</sup> *The English Factories, 1630—33*, p. xxxiv.

<sup>26</sup> *Ibid.*, p. 21.

*khwabs* made in Ahmedabad for his subjects because he himself wore them, but permitted their export to foreign countries.<sup>27</sup> Extensive trading operations were carried on not only by the Emperor and the Princes, governors and imperial nobles, such as Asaf Khan and Mir Jumla, but also by Nur Jahan.

The products of a few important cities may be briefly enumerated:

Delhi: Cotton cloths, mostly dyed in various colours, and stuffs called *chitas* (Manrique, Vol. 2, p. 180).

Lahore: Fine white cloths, coloured silk cloths in embroidery, carpets, woollen goods, bows and arrows, tents, saddles, swords, boots and shoes (Manucci, p. 424).

Agra: White cloths, silk stuffs, lace, gold and silver embroideries on turbans and other kinds of cloth (the *Khulasat*).

Patna: Silk and cotton goods, shields, artistic pottery and salt-petre (Bowrey).

Benares: Muslins, silk stuffs of various kinds, gold and silver embroideries, belts and turbans (Manrique, Vol. 2, p. 147).

Dacca: Finest and richest muslins with borders of gold and silver or coloured silks (Manrique, Vol. I, p. 56).

Ahmedabad: Gold and silver cloths flowered silks, gold and silver work, jewellery (Manucci).

Burhanpur: Fine white and coloured cloths, belts and turbans embroidered with gold and silver.

Srinagar: Shawls and carpets, beds, ink boxes, trays, boxes, and wooden spoons.

Besides, there were many cities like Samana, Khairabad, Rajmahal, Multan, and Masulipatam where important handi-

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<sup>27</sup> Pant, *The Commercial Policy of the Moguls*, p. 198-199.

crafts were carried on. In these provincial and smaller cities the artisans generally used to ply their crafts on their own account, but probably there were a few *karkhanas* organised by local merchants or *karkhanadars*.

Cottage artisans used to receive advances (*dadani*) from the itinerant dealers and middlemen on the promise of delivery of their products in proper time. The European merchants, who in the 17th century began to buy extensively Indian silk and cotton goods, first adopted the indigenous practice of *dadani*, but later on appointed an army of *gumashtas* and *peons* to secure these from cottages of weavers to whom liberal advances were made. Silks and cloths were also bought at important weaving centres through the Indian brokers or merchants under the supervision of European factors. A considerable number of factories was established by the Europeans in different parts of India, especially to make the costly and specialised fabrics for export. It is not surprising that the competition between the English, Dutch, French and Indian merchants sometimes led to higher prices being offered for cloths and the weavers obtaining better remuneration. In Dacca in 1752 the competition between the English and French factories raised the price of all cotton fabrics. "For two years past a French factory continually emulating the Hon'ble Company's trade have advanced the price of all cloths, both coarse and fine, and obliged them to be less severe with their *dalals* in pricing their cloth. They have frequently told them that they were quite indifferent at their ferreting or rejecting their cloth, being sure of disposing of it advantageously to the French."<sup>28</sup>

When the state made purchases such advances were offered to the artisans through the *Amlas*. This is borne out by a letter from Khan-i-Dauran to Muhammad Jan in Orissa in Aurangzeb's time. "The officers of the imperial government have reports that 210 kudi of cloth, of the *sahan*, *barabarah*, *do-suti*, and *thati* varieties and 300 maunds of mustard oil (yellow oil) etc., are required. Urge the officers of Jaipur, Bhadrak and other mahals

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<sup>28</sup> Fort William Consultations, December 11, 1752, quoted in Datta's *History of Bengal Subah*, p. 470.

in your *faujdari* to get them ready quickly. The price of these things will be deduced from the amounts due from the *Amlas*. The *Amlas* should advance to the weavers, artisans, oil vendors etc., money for the things ordered. First, settle the price with the help of the brokers. Then, take bonds with the attestation of the brokers for the delivery of goods in time.”<sup>29</sup> The Mughal Emperors made every effort to induce the most skilful master artisans and workers in different arts and handicrafts to come to the State *karkhanas* from all parts of India. The governors, *Amlas*, and *Jagirdars* in different provinces were instructed to this effect. At the imperial capital, “it was an established custom that the sellers of manufactured goods of the city should bring and expose them for sale in the courtyard of my palace. Jewels, inlaid articles, implements and all kinds of cloth and stuffs sold in the bazars were to be seen on these occasions.” Jahangir introduced night-time marketing at his residence, a plenty of lanterns being lighted before each shop. The effect was “a very pretty exhibition.”<sup>30</sup>

Two instances of imperial interest and support of craftsmanship are here adduced. Once a meteoric stone, weighing 160 tolas, fell to the earth. Ustad Daud was asked by Jahangir to make a sword, dagger and knife from it by mixing it with common iron. The sword manufactured cut exceedingly well and was “equal to the best tempered swords.” Shah Jahan despatched to Mecca an amber candle-stick covered with a net work of gold and inlaid with gems and diamonds by his own artisans. It was a most gorgeous piece of work turned out by the craftsman, worth two and a half lacs of rupees.

We may allude here to two descriptions of European travellers in respect of the organisation of crafts which would indicate features that persist in modern times. Mandeslo, a German traveller (1634), observes that the craftsman, because the same piece of work passed through a large number of hands on its way to the consumer, had to relinquish to the middleman a

<sup>29</sup> Sarkar, *Studies in Aurangzeb's Reign*.

<sup>30</sup> *Wakiat-i-Jahangiri*, p. 361.



large part of the profit of his industry.<sup>31</sup> Bernier writing later on (1670) describes that the artisan-manufacturers are contemned, treated with harshness and inadequately remunerated for their labour. The rich will have every article at a cheap rate. When an *Umarā* or *Mansabdar* requires the services of an artisan, he sends to the bazar for him, employing force, if necessary, to make the poor man work; and after the task is finished, the unfeeling lord pays, not according to the value of the labour, but agreeably according to his own standard of fair remuneration. The artists, therefore, who arrive at any eminence in their art are those only who are in the service of the King or of some powerful *Umarā*, and who work exclusively for their patron.<sup>32</sup>

Besides the artisans in the cities there were, of course, the village craftsmen who supplied the crude requirements of the villagers.

### *Major Articles of Export Trade.*

There was a considerable movement of commodities, both manufactures and agricultural products, from the major inland centres to the ports. When the European travellers and merchants first came to Mughal India, they found here a considerable volume of inland trade and commerce. There was a large number of industrial and trading centres scattered throughout the length and breadth of the country. In all such centres there were bankers and whole-sale merchants who commanded large supplies of capital, and who used to advance money to indigo-growers and weavers of silk and cloth goods in order to obtain the merchandise for both internal and foreign commerce. From one part of India to another commodities could be easily transported. The Banjaras, the Banias and the Kshatris were constantly moving from one part of the country to another, and during the Mughal regime not merely was travel safe for large caravans but for small companies as well. Even the hilly and forest belt in Malwa and Central India or the Rajputana desert which lay across the two main routes of communication from Agra to the ports of

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<sup>31</sup> Oaten, *European Travellers in India*, p. 181.

<sup>32</sup> Bernier, pp. 255-56.

Gujarat was relatively safe for traffic. Money also could be easily transmitted from one part of the country to another, and *hundis* or bills of exchange were in general use. Indian foreign trade was carried on by ox or camel transport through Lahore and Kandahar to Persia and Central Asia. When the European merchants first flocked into the port-towns of India they also encountered a considerable volume of maritime trade between India and the Red Sea and the Persia Gulf on the one hand, and between India and Pegu and the Indian Archipelago on the other. This seaborne trade was mostly in the hands of Arab, Gujrati, Malabari, Bengalee and Armenian merchants. The Arab traders brought to India many commodities from the Red Sea and the Persian Gulf, and also conducted the Haj traffic. In the East Indies the trade from Bengal and the Coromandel coast was also in the hands of the Arab and Indian traders. The importance of maritime trade is indicated by the fact that marine insurance is mentioned as early as 1622.

Surat in Western India, Masulipatam in the south and Chittagong (Porto Grande), Satgaon (Porto Pequeno) and Pipli in the east were the most important centres of export trade in the first half of the 17th century. Calicoes, fancy goods, muslin and yarn among the manufactures, raw cotton and raw silk and rice, sugar, indigo, pepper and spices among the agricultural produce were the major commodities of export from India at the opening of the 17th century.

It is interesting to note the wide distribution of Indian handloom products that were sought both in Eastern Asia and Europe. Semianoes (the calicoes made at Samana in Patiala); Derriabads, Kerriabads and Echbarrys (from Daryabad, Khairabad, Acchabarpore or Akbarpur in Oudh respectively); Gelalepores (from Jalalpur in Fyzabad); Mercoolees (from Nygome or Nayagaon in the district of Hardoi);<sup>33</sup> Amberteets (from Benares, Lachore or Lakhawar, 30 miles south of Patna and Patna); Fotas, Gingham, Hummums, Sanoes, Sologesses,

<sup>33</sup> See Burnell's letter in *The English Factories*, 1651—54, p. 9. Mercoolee is *mercol*, a kind of coarse cloth used as a wrapper or quilt.

Mulmuls and Cassas (from Bengal); Serribaffs (from the Deccan); Burtungeers (from Sind); Salempores, Moorees and Perculles (from the East Coast) and Baftas and Ardeas (from Gujarat) were the goods commonly met with in foreign trade.<sup>34</sup>

*India's Markets of Cotton Goods in the 17th Century.*

Apart from the precious metals and luxury articles the most valuable merchandise in India's foreign trade in the 17th century was, indeed, represented by cotton goods. India's eastern customers of cotton goods included Japan, with whom the Dutch merchants built up an appreciable business after about 1625, Siam, Indo-China, the Moluccas, Ceram, Banda, Amboyna, Macassar, Borneo, Sumatra and Java. Across the Indian Ocean in the west, South and East Africa and Abyssinia furnished limited markets. But West Africa, Egypt and the adjacent parts of North Africa, and the west of Arabia were important consuming regions. Persia and Central Asia were supplied through the overland route *via* Lahore and Kandahar by caravans reaching there the specialised cotton fabrics of the Deccan and Bengal. Turkey, Muscovy and Poland preferred, according to Tavernier, the printed cloth goods from the Deccan, but Western Europe imported silk fabrics and cheap calicoes from various textile centres, especially Gujarat, the Coromandel Coast and Bengal. The export trade of Indian cotton goods in the 17th century bears ample testimony to the adaptation by Indian weavers of quality and prices to the varied requirements, fashions and tastes of peoples representing different cultures and stages of development from savages and slaves to kings, nobility and the common people in different lands.

As early as 1609 William Finch wrote with reference to cotton goods sent to the Eastern markets: "To write of clothing for Priaman (a town of Sumatra) and Bantam with the Moluccas, etc., were infinite, they being of so many sorts and of such

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<sup>34</sup> Many other quaint trade-names were used. Some are not easy to distinguish since the words come from the various foreign consuming markets and there is large admixture of languages and dialects. Peter Mundy describes them. See his *Travels in Asia*, Vol. 2, pp. 154—156.

different prices." From this trade the Indian merchants were gradually ousted first by the Portuguese and then by the Dutch who had the advantage over the latter in that they had a practical monopoly not merely in the supply of spices to Europe but also of trade with China and Japan from which they imported copper and certain textiles to India. In the last decades of the 17th century the Dutch developed a highly prosperous and variegated trade in cloth goods from the Coromandel Coast, Gujarat and Bengal with both Europe and the Far East. Forty-two items of description of Indian cotton goods appeared in a contemporary Dutch invoice of exports from the Coromandel Coast alone.<sup>35</sup> The list of countries and islands in the Far East, often mentioned in the Dutch reports in connection with the export of Indian cotton goods includes Aracan, Pegu, Tenasserim, Malaya, Sumatra, Java, Borneo, Celebes, Ceram, Banda, Macassar, the Moluccas, Siam, and Camboj. Among the ports and towns mentioned were Bantam, Batavia, Achin, Bencoolen, Priaman, Queda, (or Kedah in Malaya), Perae (an islet on the best route towards the Straits of Molucca during the south-west monsoon) and Amboyna. The following table given by Moreland gives a rough idea of the sources of supply, markets and volume of business in cotton goods, based on the Dagb Register, the official journal of the Batavia administration for a single year.

Batavia Trade in Cotton Goods (1680).

Sources of Supply	Number of Bales	Destination	Number of Bales
Coromandel Coast	6,700	West of Cape:	4,700
		Java	1,000
Surat	1,200	Sumatra	800
Bengal	500	Japan	800
		Ceylon (for Europe)	600
		Coasting	500
South India	100	Spice Islands	4,700

<sup>35</sup> Moreland, "Indian Exports of Cotton Goods in the 17th Century." *Indian Journal of Economics*, Vol. V, Part 3,

The far-famed muslins and gold and silver embroideries of Benares were referred to by more than one European traveller. Manrique (1629—1643) mentions Benares as a very rich city due to the abundance of its merchandise, “especially its very fine cotton cloth, which is being woven continually on 7000 looms in the town itself and its suburbs.” Turbans are also made here, with borders variegated with gold, silver and various coloured silks. These are worn all over Turkey, Persia and Khorasan, Manrique records. John Kenn of the English Company in his Report of 1661 mentions the celebrated white cloth of Benares and of Lachore (modern Lukhawur, 30 miles south of Patna) fit for Persia, called Ameritis and Kincob and to be had at Re. 1/8/- to Rs. 3/- per piece “in which commodities are invested by Armenian and Mughal merchants at least ten hundred thousand rupees per annum.” These cloths were transported from Benares by land to Surat and thence shipped to Persia. Other important weaving centres in the east were Dacca, Malda, Cassimbazar, Patna and Lakhauri. At the last place, according to Robert Hughes, who wrote in 1620, 1000 ambertyee pieces were taken by the merchants from the weavers’ looms; “and without question you may have Rs. 50,000 yearly invested therein.” Robert Hughes also observes that the ambertyee cloths and other products went to the markets of Persia by the land route: “The Mogoles (merchants from Upper India or Persia) and Prachaes (eastern merchants, *i.e.*, those belonging to Allahabad and Oudh) are here (in Patna) like bees whose chiefest provisions are mandyles (turban cloth woven with silk and gold thread), girdles; layches (elaches, made especially at Baikantapur, 10 miles east of Patna), and do-pattas of Malda; also a sort of thin cloth called caymecoynes or camcanys (kinkob or, it may be, cloths named after Qaim Khan) of Bihar and are much like into coarse cassaes. These are bought for transport to Lahore, and thence to Persia. Ambertyees is a principal of their investments for the compassing whereof they bring heither ready species or exchanges.”

#### *Inland Trade-Centres.*

Patna and Benares were the important trade-centres through

which Bengal products were poured into Northern India, and transported through Lahore and Kandahar to Persia, through Kabul to Samarkhand and Kashgar and through Agra and Burhanpur to Surat. Lahore was described by Henry Bornford in 1639 as "the prime city of traffick in India": "All commodities of the adjacent places were brought thither, and brought by Usbegs and Tartars . . . . sugar the best, not much less in goodness than at Agra . . . . sugar candy, all sorts of clothing such as suffocannas, cautars (chautars), chints, salooses. Hither is likewise brought the greater part of the Gorja indigo (*i.e.*, from Gorza or Khurja)."<sup>36</sup> Multan was another important trade-centre in the north lying on the trade route from India through Kandahar to Persia. It was formerly situated at the confluence of the three rivers, the Indus, the Ravi and the Beas. Agra was, however, a more important centre of inland trade than either Lahore or Multan. All roads led to Agra. Pelsaert records: "All goods must pass this way, as from Gujerat, Tatta; from Kabul, Kandahar or Multan with Deccan; from the Deccan or Burhanpur to those places, or to Lahore; and from Bengal and the whole East country; there are no practicable alternative routes, and the roads carry indescribable quantities of merchandise, especially cotton goods." Lucknow was also a great trading centre in Northern India in the Mughal times, the emporium of the variegated cloth goods of Oudh. Cotton cloths of various kinds which were woven extensively in different parts of Northern India were often taken uncoloured to Agra and Ahmedabad and dyed there to be taken to the Gujarat ports for export to foreign markets. Although a considerable quantity of indigo was then produced in Bengal, it was inferior in quality to that of the Agra district. Agra was the more important indigo producing tract, the chief centres being Biana, Itimadpur, Cannove (Kanauj), Koil (Aligarh) and Gorza (Khurja), according to De Laet. Bengal indigo went to Masulipatam. Near Ahmedabad was Sarkhej, the most important centre of indigo production in the west. But the indigo from Biana, Corsa (Khurja) and Indoua (Indore) also went largely

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<sup>36</sup> *The English Factories, 1637—1641*, p. 135.

for the export trade to Surat which was, indeed, "one of the most eminent cities for trade in all India," being the emporium for Northern Indian products as far as Kashmir, Lahore and Agra and for the products of Malabar, China and the South Seas. From far-off Bengal sugar and salt-petre came regularly to Surat for export. Before the rise of Surat into importance, Thatta with its harbour, Lahari Bandar, was "by far the largest trading centre in India." From Lahore and Multan, cloth goods, sugar, opium, sulphur and nutgall used to come down the Indus by boats; while caravans of camels used to bring merchandise from Agra as far as Bucker on the river which is at a little distance from the port. Near Surat was Ahmedabad, the other most important trade centre in Western India. Ahmedabad was described as "almost as large as London" (De Laet) and connected with the ports of Cambay and Lahari Bandar. The most important emporium of South Indian products was Golconda which was connected with the three great ports of Goa, Masulipatam and Surat by important roads carrying a large variety of merchandise throughout the year.

The principal trade from Surat to Europe in the 17th century consisted of the export of silk and cotton fabrics, indigo, salt-petre, pepper and spices. A brisk trade from Surat was also carried on in jewellery and in silver imported from Turkey and Iraq, while cotton yarn went to the Red Sea, Ormuz and Basra. Khafi Khan mentions that the imperial ship, *Ganj-i-sawai*, which on its way back from pilgrimage was attacked by the English pirates, was bringing fifty-two lacs of rupees in silver and gold, the produce of the sale of Indian goods at Mocha and Jedda.

In the south Masulipatam was the most important seaport from which ships sailed to the coasts of Bengal, Aracan, Pegu and Tennasserim, laden with all sorts of cotton cloths, glass, iron, cotton yarn, both red and white; tobacco and cowries, used as money in Bengal and Aracan; and also some spices and sandalwood. Linschoten (1598) mentions that there is excellent fabric linen of cotton made in Negapatam, Saint Thomas, and Masulipatam, of all colours and woven with diverse sorts of loome workers (flowers) and figures, were fine and cunningly wrought,



which is much worn in India, better esteemed than silke, for that it is higher prized than silke." The King of Golconda entered upon an agreement with the King of Persia to supply every year for his army several thousand pieces of red cotton stuffs. This made it somewhat difficult for the Dutch to secure red cotton cloth through the usual intermediaries at Petapoly (1607-8).<sup>37</sup> The red cotton cloth goods went to Persia by the sea-route. Other articles of export from this area were iron and steel, diamonds, rubies and pearls.

*Beginnings of European Trade in the Asiatic Waters: The Portuguese.*

The last few years of the 16th century were fraught with profound import to the development of trade and commerce in the Asiatic waters and to eastern politics. In 1591 Ralph Fitch returned to England, and after his Eastern tour gave a glowing account of the wealth and resources of India and Burma, and the riches captured in Portuguese ships by the English privateers. Coming after the defeat of the Spanish Armada by the English, this contributed to fire the imagination of the English commercial class to claim a share of the spices and pepper trade of the Moluccas and "the wealth of Ormuz and of Ind," and force the Spanish-Portuguese barrier in the East. In 1593 the Dutch sailor Houtman crossed the Indian Ocean and reached Java. He was the first Dutchman to accomplish the Eastern voyage. In 1595 Linschoten reported on Indian and Far Eastern trade conditions and navigation in Holland, and ardently supported plans for direct trading with the East which were already eliciting Dutch enthusiasm. He also drew pointed attention of the Netherlanders to the superiority of Dutch methods of navigation and the evils that have crept into the Portuguese trade due to private trade and monopoly enjoyed by the Portuguese captains and grandees. Better navigation and unity of organisation on the basis of a national monopoly could help the Dutch to secure a portion of the Asiatic trade. In 1598, 22 Dutch ships left for the Indian

<sup>37</sup> Dutch Letters Received (1607-8), No. 961, quoted by Brij Narain, *Indian Economic Life, Past and Present*, p. 54.

Archipelago and about forty more in 1599—1601. In 1604 another Dutch fleet of 12 ships visited the coast of Malabar in India. The year 1600 saw the foundation of the English East India Company, and next year (1601—1603) the First Voyages were made to Achin, Bantam and the Moluccas. Captain Lancaster visited Achin, the important port of Sumatra, in 1602. Achin was then found to carry on a brisk trade with India, 18 vessels from Bengal, Malabar, Gujarat and other regions being encountered by Lancaster; while Dutch merchants were also busy there. In 1603 a factory was established by the English at Bantam on the north-west coast of Java, and this was even made the capital of their Eastern possessions. In 1612 they also opened commercial intercourse with Patani, a port on the eastern side of Malaya and with Ayuthia, the capital of Siam, whose importance lay in its trade with China and Japan; and in 1613 they reached as far as Hirado in Japan. India was avoided, first, because England was then at war with Spain and Portugal, and, secondly, because the spice trade of the Moluccas was a bigger prize coveted by all the European powers.

At this time the Portuguese monopolised the trade in spices and metals of the Archipelago, and, if we follow Pyrard's description, Malacca, which was captured and strongly fortified by the Portuguese in 1509, was the richest and busiest city in all the Indies after Goa and Hormuz, Albuquerque having added Malaya to the Portuguese possessions after subjugating the Sultan of Malaya in 1511. "Malacca," wrote Cæsar Frederick in 1564, "is a city of marvellous great trade of all kinds of merchandise which come from divers parts, because all the ships that sail in these seas, both great and small, are bound to touch at Malacca to pay their customs there, although they unlade nothing at all, as we do at Elsinor; and if by night they escape away and pay not their custom, then they fall into a greater danger after, for if they come into the Indies and have not the seal of Malacca they pay double custom." The conquest of Malaya paved the way for the Portuguese monopoly of the spice trade farther east. Throughout the 16th century the Portuguese had a number of widely distributed strategic establishments and possessions in the

Asiatic waters. Mocha through which flowed the Red Sea trade into Alexandria and thence to Europe; Hormuz or Ormuz through which the sea-borne trade of the Spice Islands, the Far East and India flowed into Constantinople and Aleppo for Europe; "Golden" Goa, the seat of the Portuguese government in the East, which connected Western India with Africa, the Indian Archipelago and the Far East; Colombo in Ceylon; Chittagong and Satgaon in Bengal, called by the Portuguese Porto Grande and Porto Pequeno respectively, which commanded the flourishing traffic of the Ganges Valley; and Malacca which owed its name "the Home of Opulence" to its being the centre of the movement of the spice trade and the commerce with China and Japan,—all these ports were under the direct suzerainty or influence of the Portuguese, whose maritime activity and trade were now sought to be challenged by the other European nations, and first by the Dutch. The Dutch explored and sought foot-holds in different parts of the Indies cautiously. For from Portugal to Malacca, in the Atlantic Ocean, the Arabian Sea and the Indian Ocean moved about the Portuguese Armadas for maintaining security in the waters, and convoying the vessels of Arab, Malabari, Gujarati and Bengalee merchants to trade from one port to another with the permits of the Portuguese. Asiatic merchants were, however, severely handicapped by the prohibition that they should not carry steel, iron, lead, tobacco, ginger, cinnamon of Ceylon and several other commodities from port to port for sale;<sup>38</sup> while other European merchants felt chagrin at the Portuguese monopoly of the pepper, spice and indigo trades for about a century. By the end of the 16th century the oppression exercised by the Portuguese on the peoples and princes of India also reached their zenith. Goa became notorious for scenes of cruel persecution and torture of the "ancient Christians" and the Jews, and in 1594 there arrived a papal bull and royal command for the forcible conversion of the Hindus. As a matter of fact, the people of India hailed the Dutch who also posed as liberators

<sup>38</sup> I.O. Portuguese Records, doc. 8, quoted by Balkrishna, *Commercial Relations between India and England*, p. 47.

from the Portuguese tyranny. At Hooghly the Portuguese on account of the forcible conversion of Indians and their obnoxious slave trade aroused the wrath of the Mogul Governor of Bengal who expelled them after a sanguinary battle on the famous port and river in 1632.

*The Dutch in the East.*

The Dutch merchants, as we have mentioned, were the first to take up the challenge against Portuguese supremacy in the Asiatic waters. 1602 saw the establishment of the Dutch United Company at Hague, which became a great implement of war and conquest in the Far East. By the first decade of the 17th century, the Dutch already planted themselves at Bantam (1595), opened the spice trade with Amboyna, Ternate and Banda (1598), with Sumatra and China (1599), and with Ceylon (1600), overcoming the opposition of the Portuguese who were supported by the Spaniards from the Philippines. In 1605 the Dutch supplanted the Portuguese at Amboyna and obtained the monopoly of trade in clove which they maintained with illiberal jealousy. In the same year trade was opened with Surat, a permanent factory was also established by the Dutch at Masulipatam, and the first cargo of cloth goods went to Achin and Bantam in a Dutch vessel. By 1610 the Dutch also obtained their footing at Petapoli, Negapatam and Pulicat. As the Dutch were establishing themselves both on the Coromandel Coast and in the East Indies, and setting themselves to challenge the Portuguese monopoly in pepper and spices, the produce of Sumatra, Java and Moluccas, they found that there was already an active trade in existence with Bantam, Achin and Macassar as its intermediary centres. The populations of the Archipelago exchanged their own products such as gold, copper, pepper, spices, betelnut and raw silk for the produce of Bengal, especially cotton goods, Bengal opium, European manufactures, salt and iron. The Portuguese, settled at the Coromandel Coast ports of Negapatam and San Thome, regularly traded in calicoes with Malaya and the Spice Islands where there was a vast consumption of various kinds of Indian cloth goods. From the Bengal ports, such as Satgaon and Chittagong, Arab, Portuguese

and Indian merchants also sailed with cloth goods, rice, wheat and sugar to the Indian Archipelago. "The idea," observes Geyl, "naturally arose of controlling that movement and paying for the pepper and spices not in money but by imported cotton goods." Thus what brought the Dutch to India was rather the requirements of the East Indies than of the European market although cloth goods began also to be exported to Holland by 1610. The General Council at Bantam mentioned in 1610 cloth and other goods as being ordered from the Coromandel Coast for Java, the Moluccas and the Fatherland (Holland). The Dutch first tried to begin trade at Surat and on the Malabar Coast, but the Portuguese were too strong for them in that area and their adventure ended in disaster. But on the other side of the Peninsula the Portuguese were weaker. Thus Masulipatam soon began to prosper as the nexus of trade between the Archipelago and India. As early as 1612 the Coromandel Coast was described by the Dutch "as the left arm of the Moluccas and neighbouring islands, since without the cottons from thence trade is dead in the Moluccas." Factories were soon established by the Dutch at Masulipatam, Petapoli, Devenampatnam and Tirupapuliyur, Pulicat, and other places on the Coromandel Coast. "The export of textiles for the Archipelago market always remained the chief business of the Coromandel factories, although soon considerable quantities were exported to Europe as well, and the export of rice and vegetables and of slaves (for Batavia) became important; diamonds also were exported; while the hinterland of Masulipatam supplied indigo. Both the indigo and the textile trades required considerable skill on the part of the Dutch Company's servants. As regards the latter, the requirements of the Archipelago market were exactly studied. Patterns were sent from Bantam or Batavia, and minute instructions were given to the weavers and dyers who worked for the Dutch Company in towns and villages within a wide radius of the factory."<sup>39</sup> It was from the Coromandel Coast that Dutch trading establishments were first established in Bengal at Pipli, Balasore, Chinsurah, Kasimbazar

<sup>39</sup> See P. Geyl, *The Dutch in India in the Cambridge History of India*, Vol. V, p. 35.

and Patna. The three last towns became the centres of an exceedingly prosperous and profitable trade. From Bengal the Dutch merchants exported silk and cloth fabrics, salt-petre, rice and opium. Bengal opium went to Java and China and brought immense wealth to the Dutch. From Surat the Dutch also exported cloth goods and indigo in considerable quantities while bringing to the port all kinds of merchandise. In 1619 they obtained here the privileges of freedom of trade without molestation and exemption from transit duties on the way from Surat to Ahmedabad and to Burhanpur.

*Gradual Entry of the English into the Spice Trade.*

In the Indian Archipelago the English, as we have seen, established a factory at Bantam in 1602 or 1603, and this was made the capital of their Eastern territories. But immediately the English agent and most of the settlers were treacherously murdered. Thus the Dutch were left without rivals here, and established their sovereignty over the ruling king. Shortly, however, the Dutch and the English fleets fought each other near Jacatra, the ancient capital of Java, in 1617. The English defeated the Dutch completely, and took possession of and fortified Jacatra. Peace, however, was soon concluded between the English and the Dutch Companies, and the English retired from Java, leaving the Dutch in possession of Jacatra. In 1619 the Dutch laid the foundations of the city of Batavia near the site of Jacatra which since became the capital of the Dutch settlements in the East. Six years earlier, in 1613, the Dutch procured from the native princes of the Moluccas the exclusive right of buying cloves and every breach of the inequitable compact was severely punished. The English, however, established a factory at Amboyna in 1614 though this was in Dutch possession, and also at Macassar in 1615 which they were under the necessity of abandoning before long. In 1621-22 the Dutch expelled the English from Lantor and Pulo Run, and massacred them at Amboyna in 1622 under circumstances of atrocious injustice. Next year (1623), the English Council at Batavia was compelled to dissolve the factory at Hirado in Japan. On the Malabar

Coast the Dutch had the port of Vengurla for a long time and captured Batticaloa in 1638, Negambo in 1640 and Quilon, Karanganur and Nieuw Oranje in 1661-1662. From these coastal towns the Dutch carried on a lucrative trade in pepper and cinnamon. But they had also here their rivals among the Portuguese English and Gujarat merchants. Hostility with the Portuguese was most acute. The Dutch, through the increasing pressure of their war vessels, cut off the Portuguese at Goa from their settlements at Malacca and Macao. Their valuable Eastern trade being in jeopardy, the Portuguese sought the aid of the English in 1639. In 1641 the Dutch seized Malacca from the Portuguese, a great blow to their power and prestige in the Eastern seas, and between 1638 and 1658 Ceylon also passed into Dutch hands. The culture of cinnamon was confined to Ceylon, that of the clove was confined to Amboyna, and that of the nutmeg to the Banda Islands. As the Dutch obtained a monopoly of the spice trade from the East Indies, the English were tempted to seek a monopoly in the pepper trade on the Malabar Coast, and from the various ports which grew into importance in this coast English ships laden with pepper, cardamom and cinnamon used to sail regularly for Europe. That the profits of this trade were enormous is evident from a detailed statement of the payments made earlier by the Portuguese merchants trading from India to Alexandria. All Indian goods passing up the Red Sea and across Egypt on their way to Alexandria had to pay heavy duties imposed by the rulers of Arabia and Egypt. The regulations of the Sultan of Cairo required that one-third of the imports should be pepper, and this amount must be sold to him in Jedda at Calicut prices. Say a merchant brought goods from Calicut to the value there of £300, and among them no pepper. He would have to buy in Jedda, at Jedda prices, pepper worth in Calicut £100, and re-sell it to the Sultan at the Calicut price. On the balance of the goods he would pay 10 per cent *ad valorem*, and again on the balance, after deducting this 10 per cent, 4 per cent more. Instead, however, of getting the Calicut price of the pepper in money, he was compelled to take copper in Jedda from the Sultan at Calicut prices—that is, copper in Jedda was worth



7 cruzados the quintal, but this he was compelled to buy at 12 cruzados, the Calicut price. Practically, therefore, the Sultan of Cairo was, at no expense to himself, a partner to the extent of one-third in every voyage. In spite of these exactions, the profits on the double journey would be very large indeed.<sup>40</sup> The profits of the trade in cloves with the Moluccas were even more enormous. Some particulars are available from a description given by Crawford of the trade in the 18th century. The price given for cloves to the cultivator in the Moluccas is or was  $3\frac{1}{4}$ d. per lb. avoird, or nearly 8 dollars per picul of  $133\frac{1}{4}$  lbs. When the trade was conducted by the natives, it even sold in Java at an average of 14d. per picul. When the article arrived by a difficult and hazardous land-carriage at the Caspian Sea, it cost 91d.; at Aleppo 141d.; and in England 237d. When brought directly to England, they were sold at an advance of 1,258 per cent on the natural export price! During the Portuguese and Spanish supremacy, the five Molucca islands produced annually 2,376,000 lbs; when the trade was free, the quantity was one half more.

It was the same desire to share the monopoly, which the Portuguese were enjoying in the spice trade of the Moluccas, that attracted the Dutch, and later on the English and the French; and all tried to develop a trading movement which embraced the East Indies, China and Japan in the north and Coromandel, Malabar, Gujarat and the Persian Gulf in the West. In the Third Voyage of the East India Company Hawkins reached Surat, the principal port of the Mughal Empire, and proceeded to Agra to obtain permission to trade in India from the Emperor Jahangir but was foiled due to the machinations of the Portuguese. By 1609 the English had regular factories at Bantam (1602), Batavia and Amboyna in the Archipelago, and Surat, Agra, Ahmedabad and Broach in India, and opened up trade with the Red Sea ports and in Persia. Two years later (1611) an English factory was established at Masulipatam whence the English carried on a valuable export trade in piece goods to Persia and to Bantam. In 1612 the English came into open conflict with Portuguese at

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<sup>40</sup> Whiteway, *Rise of Portuguese Power in India*, pp. 7, 8.

Surat where their signal victory “destroyed for ever the Indian legend of the Portuguese supremacy over other Europeans.” In 1621 the English made the first attempt to supply England with calico from the Coromandel Coast, but the sales were inadequate and the attempt was given up. Two years later, (1623), however, Thomas Mun and Abbot reported to King James that calico is “very useful and vendes in England, whereby the prices of lawnes, combrickes and other linnen cloth are brought down; for the rest England is now made the staple for that commodity, the overplus is transported into foreign parts in the nature of a home-bred commodity.” The King approved exceedingly of this and remarked that this was the ready way to bring treasure into his kingdom. It was estimated that 100,000 to 200,000 pieces of calico would be readily consumed in “the foreign parts.”<sup>41</sup> Thus by the first quarter of the 17th century the Indian export trade with Europe in cloth goods established itself. Meanwhile more political power was gained by the English. In 1622 the English captured Ormuz from the Portuguese and thus gained a mastery over the trade and navigation of the Persian Gulf. In the Bay of Bengal the settlement of Armagaon was founded and fortified in 1625 although the settlement at Masulipatam preceded this by a few years. Fort St. George in Madras was built and replaced Masulipatam as the head-quarters of the English on the Coromandel Coast in 1641. The French East India Company was founded somewhat later in the year 1664 under the stimulus of Colbert. A French factory was established in Surat in 1668. Next year Masulipatam was founded, Pondicherry in 1674 and Chandernagore in 1690. Following the example of the Dutch, the English sought also to open trade with the rich province of Bengal, established factories in Orissa at Hariharpur and Balasore (1633), and then at Hooghly (1651), Patna and Kassimbazar. As the English were exploring the possibilities of trade in Bengal after the expulsion of the Portuguese from Hughli in 1632 by the Mughals, the Surat factors decided to forbear investments in many inland factories

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<sup>41</sup> *The English Factories, 1624—29*, pp. xxxvi.

in Western India in expectation of the prospects in Eastern India, especially in view of "some dependence upon Bengala whose present plenty of such commodities promiseth some supply."<sup>42</sup> Cheap white cloth, sugar, silk and gum lac were prized by the English factors as important Bengal exports, while the commodities that would sell in Bengal included English broad cloth, spices, tobacco, iron and tin.

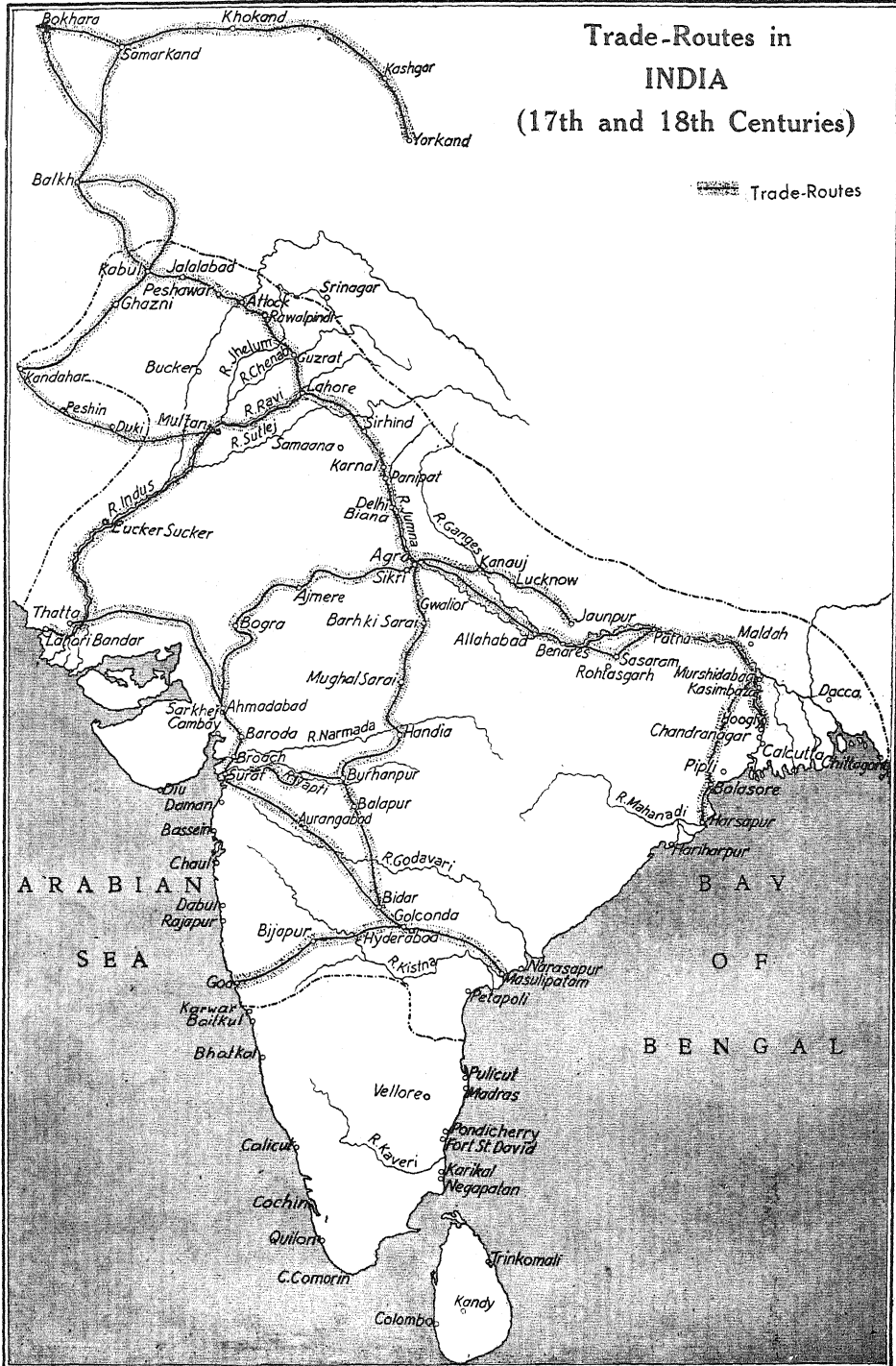
It was the lure of trade profits which attracted the English first to the Indian Archipelago and the Coromandel Coast in the first quarter of the 17th century, and in the next quarter to Bengal. On the Arabian Sea their possession of the strategic sites of Surat (1612) and Ormuz (1622) enabled them to profit not only from the trade in spices which they paid for by the Indian cloth-goods, but also from the trade with Persia, and with Alexandria, through the Red Sea. The entry to Bengal and acquisition of the trade monopoly in the richest of the Indian Provinces was facilitated by the acquisition of trade privileges in the strategic positions of Masulipatam, Hariharpur, Balasore and Pipli and by the policy, first adumbrated by Sir John Child of Surat, of associating politics and military power with expansion of trade. Meanwhile the Dutch, their only serious competitors in the East, devoted their attention principally to the trade in the Indian Archipelago and the Spice Islands, and neglected the Indian factories. The French came to India too late for the prizes offered by her to a Western sea-power. Their settlements were inferior to those of the English in trade and resources, and besides they did not obtain adequate support from the authorities at home. Superior to all other European powers in the sea, and supported from the beginning by the Government at home, the English within half a century after the death of Aurangzeb acquired Bengal whose riches and geographical position proved of invaluable aid to them to obtain mastery of the hinterland and then gradually over the whole country.

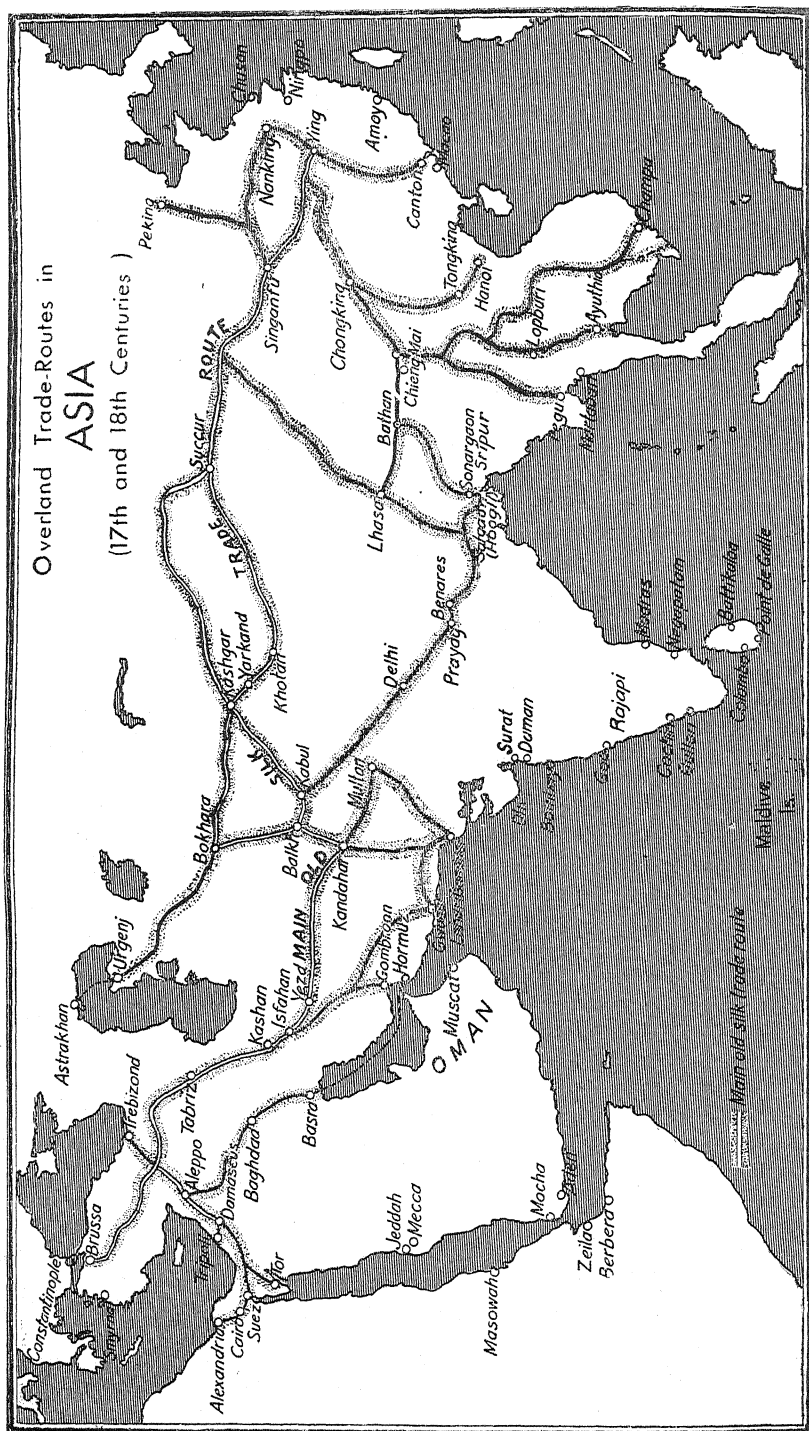
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<sup>42</sup> F.R. Surat quoted in Balkrishna, *Early English Settlements in Bengal, Proceedings of the Indian Historical Records Commission*, Vol. XVI.

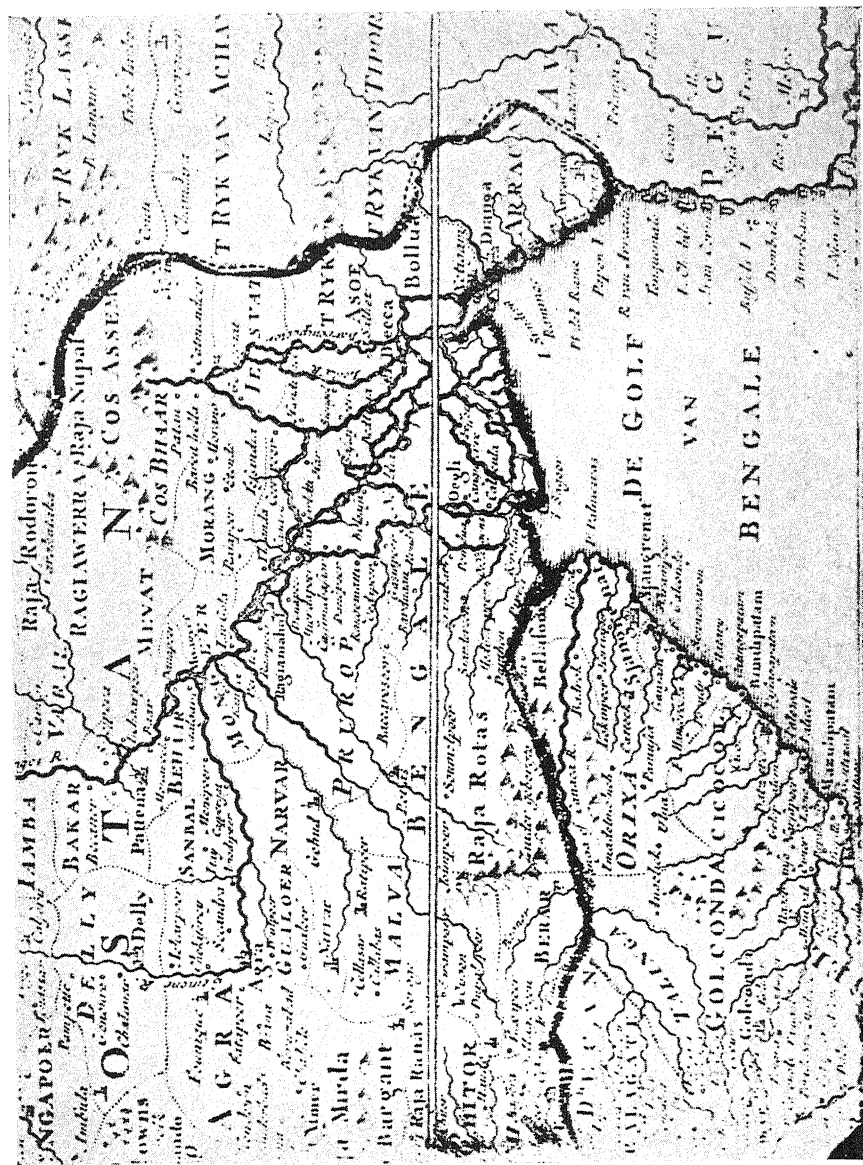
# PLATE I

## Trade-Routes in INDIA (17th and 18th Centuries)





# PLATE III



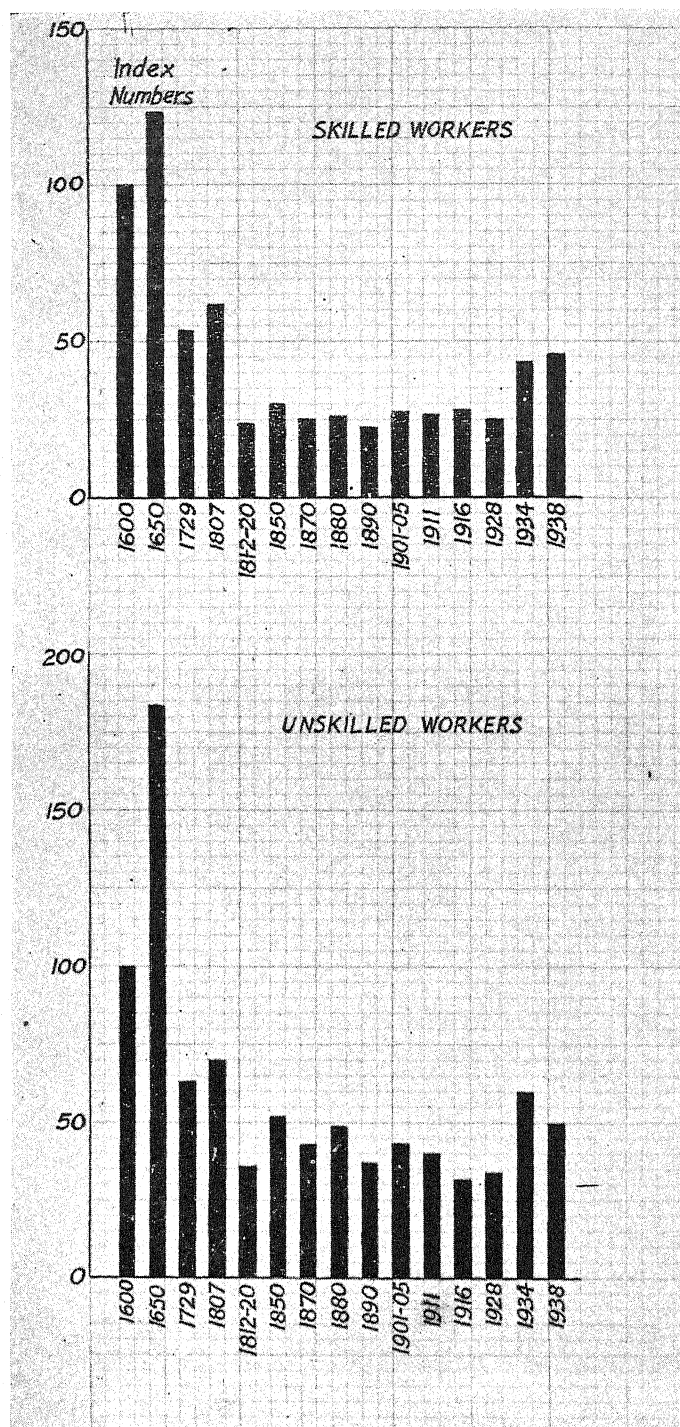
Muller 10021

Nieuwe Kaart van het Keizerrijk van de Groot Mogol Uitgegeven te Amstordam door Izaah Tirion.

Signed : J. Keyser fecit 1730.

Courtesy : Geografisch Seminarium, University of Amsterdam.  
Iznak Tirion's Map of the Moghal Empire (1730).

# Trend of Wages in Northern India, 1600—1938



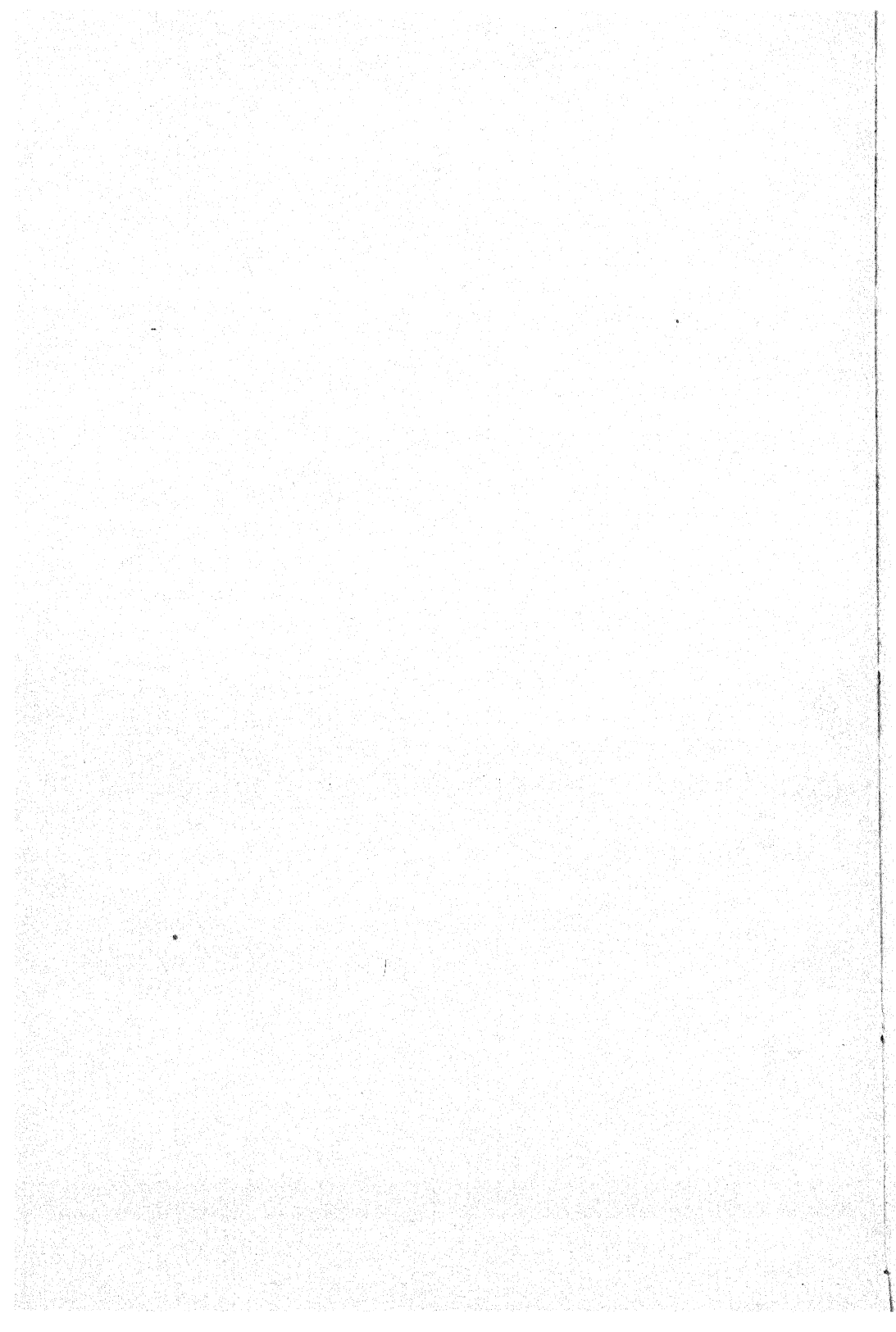


## APPENDIX ON TRADE-ROUTES IN INDIA AND ASIA

The trade-routes in India of the 17th and 18th centuries have been aligned largely on the basis of the routes used by Tavernier, Bernier, Fitch, Peter Mundy, Manrique and John Marshall. For the overland route from Masulipatam to Surat, Van Ravenstein's itinerary has been followed. The Flemish Geographer De Laet's *Description of India* and *Fragment of Indian History* contains an account of the principal roads and towns of India, which has been helpful. De Laet himself was a careful compiler, and accurately used the writings of many foreign travellers and authors.

The *Chahar Gulshan*, edited by Sir Jadunath Sarkar, has also given a description of the various important roads and trade-routes and their stages.

The over-land trade-routes in Asia have been based on the journeys of Newbery, Fitch and Midnall, among others. The old silk-routes from China which were later on followed are aligned on the basis of E. H. Warmington's Map. William of Rubruck's and Marco Polo's routes as well as those indicated in De Laet's *Description of India* have been used. Foster's *England's Quest of Eastern Trade* and maps therein, giving the routes noticed by the European travellers, have also been utilised.



## SECTION VI

### Trade and Commerce

#### *The Great Emporiums of the Asiatic Trade.*

Throughout the Middle Ages the world demand for spices developed a brisk trade in the Asiatic waters. Spices were eagerly sought by the then entire civilised world, by India, Western Asia, Egypt and Europe. It was the Chinese who, landing upon the Moluccas or the Spice Islands in the Middle Ages, discovered the clove and the nutmeg in consequence of which a taste for these commodities was diffused over India, and thence extended to Persia and to Europe. The Arab merchants who then engrossed almost all the commerce of the world soon turned their attention to the native region of these products, repaired to it in large numbers and developed an exceedingly profitable trade with the West. The great emporiums of this trade in the Asiatic waters were at Ormuz, Aden, Suakin, Tor, Sofala, Cannanor, Calicut and Malacca. Ormuz on the land route and Tor on the Red Sea route were then the gateways of the West. From Ormuz the commodities from Japan, China, Siam, Cambodia, the Spice Islands, Malaya and India were transported in ships up the Persian Gulf and the river Euphrates, and by caravans on to Aleppo and Damascus and Trebizond, whence they were distributed all over Asia Minor, and Southern and Western Europe, and throughout Muscovy. The merchandise collected at Mocha was sent on to Tor or to Suez, and thence by carávan to Grand Cairo, and down the Nile to Alexandria and Rhodes where it was shipped to Venice, Naples, Genoa, Barcelona and other ports of the Mediterranean.<sup>1</sup> Tor, near

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<sup>1</sup> Birdwood, *Records of the East India Company*, p. 165, quoted in Marriott, *The English in India*, p. 35.

the head of the Gulf of Suez, was a port of great importance in the trade between Syria and India, but declined with the rise of importance of Suez as the emporium of the Red Sea. Berbera and Zeila, ports of the Somali territory, and Massowah, the great outlet of the Abyssinian trade, were intermediate stations in this important route to the West. Indian merchants were encountered at Massowah by the Portuguese when they first sought trade with Abyssinia at the close of the Middle Ages. At the beginning of the 16th century the Empire of the Ottoman Turks reached its maximum power. The Turks were formidable not merely by land but also by sea, and their victory over the Venetians at Lepanto in 1499 and their conquest of Egypt in 1516 and of the island of Rhodes in 1522 established their suzerainty of the Eastern Mediterranean which led to the strangulation of the Indo-European trade. This in its turn led to the adventurous geographical explorations and trading voyages from Europe in the 16th century in which the Portuguese played the chief rôle. The quest of trade or territory which inspired the bold explorations of John Cabot, Columbus, Magellan and Vasco da Gama laid the scientific and commercial foundations of modern Europe. As Sir George Birdwood aptly observed, "The history of modern Europe and emphatically of England is the history of the quest of the aromatic gum resins and balsams and condiments and spices in India, Farther India, and the Indian Archipelago." Thus spices made history as rubber and petroleum are making history today. To be more accurate, Christians and condiments made history, since the Portuguese were inspired as much by religious zeal as by the lure of profits in the Eastern spice trade. Vasco da Gama rounded the Cape of Good Hope in 1498 and landed at Calicut in India. It was he who made the first Portuguese settlement at Cochin. The Arab merchants who had long controlled the Asiatic trade resented the advent of the white people.

There was in fact some amount of concerted Muhammedan opposition to the coming of the Portuguese to the Eastern seas. Firstly, the opening of the sea route to the West *via* the Cape of Good Hope meant that the rulers of Arabia and Egypt who imposed duties on goods passing up the Red Sea to Suez and thence by

caravan to Cairo and Alexandria would suffer seriously. Secondly, the Muhammedan kingdoms in India, of Gujarat, Bijapur and the rest apprehended that the Portuguese would ultimately seize the northern ports just as they had obtained the southern from the Hindu rulers. Thirdly, the Portuguese came to seek both Christians and spices, and this aroused religious opposition. But the Portuguese gradually pushed their way in. In 1511 they seized Malacca where all traffic between India, Farther India, the Indian Archipelago and China was concentrated. The city of Malacca had a population of about 100,000, and, according to Barbosa, was "the richest trading port, possessing the most valuable merchandise and most numerous shipping and extensive traffic that is known in all the world." Two years later (1513) the Portuguese established their suzerainty over Ormuz, the island at the mouth of the Persian Gulf through which the entire Eastern trade passed on its way to Persia and thence to Europe.<sup>2</sup> Fitch (1583-1591) observed: "In this town are merchants of all nations, and many Moores and Gentiles. Here is a very great trade of all sortes of spices, drugs, silke, cloth of silke, fine tapestrie of Persia, great store of pearles which come from the isle of Baharim, and are the best pearles of all others, and many horses of Persia, which serve all India." A link was established with China as early as 1517, and a settlement established at Macao. Colombo was occupied in 1518. From the advantageous stepping-stone of Malacca in Malaya they appeared with a strong force in the Moluccas in 1521, and soon established their monopoly of the trade in spices. The establishment of other far eastern settlements in Camboj, Sumatra, Java, Borneo and the Celebes also helped to maintain their over-lordship of the vast Asiatic route from the Cape of Good Hope to the Persian Gulf and thence through Ceylon and Bengal to the Malay peninsula and Archipelago which was commanded by war vessels from the central point of the Portuguese Empire in the East at Goa. In the Bay of Bengal the Portuguese held Hooghly, Pipli, Chittagong,

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<sup>2</sup> For the Portuguese trade in India see Whiteway: *Rise of Portuguese Power in India*, and Campos: *History of the Portuguese in Bengal*.

St. Thome, Negapatam and Jafnapatam. On the Arabian sea-board the Portuguese occupied Diu, Daman, Chaul, Bassein, Mangalore, Cannanore, Calicut, Cochin, Goa and other places. "Golden Goa" was the seat of the Portuguese Viceroy with five captains under him, placed at Mozambique, Ormuz, Muskat, Ceylon and Malacca. Thus the lucrative business, which formerly had been in the hands of the Arab merchants, and which was carried on *via* the Red Sea through Alexandria, Genoa and Venice, was largely wrested from their hands by the Portuguese in the opening decades of the 16th century. For about a hundred years the Portuguese held their own against the Muhammedan world, and carried on their commerce as well proselytising activities for the spread of Christianity in the Eastern world with fanatical zeal.

Early in the 17th century the Dutch grew into an adventurous and enterprising sea-faring nation, and challenged the supremacy of the Portuguese trade at Surat and on the Malabar Coast in India, and in the Indian Archipelago. In India the Dutch failed in their first trial of strength with the Portuguese at Surat and on the Malabar Coast, but found the Sunda Straits, Java and Sumatra undefended by them. Thus they obtained a foothold in Bantam in Java, which was the most important link in the trade movement with India on one side, and the Spice Islands on the other.

### *Commodities of Trade with the Indian Archipelago.*

At first both the Portuguese and the Dutch found it necessary to pay in gold and silver for the monopoly of pepper and spices in the Archipelago. But soon they developed an exchange of commodities between India and the Archipelago to avoid the system of payment in bullion. The Portuguese developed at the end of the 16th and towards the beginning of the 17th century a profitable trade between India, Western Asia and Europe, on one side, and China and the Spice Islands, on the other, importing to India Chinese silks, tin and jewellery, and obtaining for markets in Persia, Arabia and Mesopotamia Indian cloth and silk goods and pepper and spices from the Moluccas. From Persia and Arabia the Portuguese brought to India horses, carpets, dates, raisins, raw

silk and silver; from Europe quicksilver, cutlery, swords, glassware, wines and other luxury articles; and from Africa ivory, musk, wax, and coffee. Another profitable business was slave-trading. From Abyssinia and Mozambique the Portuguese regularly brought slaves for sale at good prices in Goa and Surat. Both the Portuguese and Aracanese pirates of the Bay of Bengal used to sell their captives in the various slave markets of India, of which the principal were Hooghly, Tamluk, Pipili, St. Thome, Ceylon and Goa. Pyrard (1608-11) observed that the merchandise and goods of all the world must pass Ormuz and pay tribute to the Portuguese. No merchant could transact any business or ship any commodities before the Portuguese captain sold, freighted and despatched his. It was the Portuguese captain, again, who held the monopoly of the lucrative trade of importing Persian horses to India. It was in this manner that the Portuguese obtained much of the money to purchase the spices from the Archipelago.

The Dutch similarly found later that the payment of bullion for the purchase of spices in the Archipelago could be avoided by taking Gujarat and Coromandel cottons to the markets of the Archipelago and also to Europe. The English who quickly followed the Dutch in the Indian Archipelago and the Coromandel Coast found the latter well-established, and were at first no match for them, but could wrest from the Portuguese the important strategic establishments of Surat (1611) and Ormuz (1622). The European trade in Indian cotton goods grew up at the beginning of the 17th century as a distinctly subsidiary interest for meeting the needs of the markets of Sumatra, Java and the Moluccas whence spices were obtained for the European markets. But gradually Indian cloth goods came into favour in the European markets as well, first as house-linen, and then as calicoes for ordinary wear, and thus the Dutch, the French and the English all began to buy considerable quantities of cloth and silk, indigo and saltpetre along with the spices from the Archipelago and the Malabar Coast of India for Europe.

A network of trade-relations thus covered the entire known world in the 17th century from China, Japan and the Spice Islands to Bengal, Coromandel, Malabar and Gujarat, and from India



via the land-route through Kandahar, Kashan and Tabriz to Aleppo and Constantinople and Alexandria and via the Cape of Good Hope to Europe. With the exploration of the Indian markets by Fitch, Finch, Robert Hughes, Linschoten, Tavernier and others, and the establishment of factories by the different European powers in the various parts of India, a variety of commodities was soon found valuable for export to the West, although cloth goods retained the major place in the export trade.

*Commodities of Trade with Europe.*

A variety of Indian silk and cotton goods came to be sought for the European markets at the beginning of the 17th century. Silk used formerly to be exported to Europe from Persia. Indian silk was, however, soon getting known. Robert Hughes writing in 1620 from Patna to the President and Council at Surat mentions Bengal *serbundy* silk (i.e., cocoons), the best of Murshidabad and Saidabad, and *tassar* stuffs of Bengal, of half silk and half cotton, and speaks of sending samples of Bengal silk which he has wound from the *serbundy*. He proposes also to dye and dress some of the coarser sorts into 'sleave (floss) silk' for England. He mentions three specimens of silk: shekesty (i.e., shikasta), cattaway, (modern Bengalee *kathe*) and gird (modern Bengalee *garad*) and also makes the interesting observation that the Portuguese merchants who frequented the ports of Bengal and visited Patna sold silk stuffs of China, tin and some jewellery wares, and in lieu thereof they transported coarse carpets of Jaunpur, amberteas, cassaes and some silk.<sup>3</sup> That the English trade in silk soon prospered is recorded by Broecke, President of the Dutch Factory at Surat, who informed the Directors in 1621 that the English had a splendid trade going on at Patna in the county of Bengal, where they had also a factory for the purchase of rough silk and fine Bengal cloth.<sup>4</sup> Silk manufactured fabrics, called *amberteas* were made in Patna and also in Lakhwar, 30 miles distant from Patna. These sold in Persia. 10 miles from Patna was Baikunthpur,

<sup>3</sup> *The English Factories*, 1618—1621, pp. 195—198.

<sup>4</sup> *Dutch Records*, Vol. VI, doc. 111.

famous for the silk-woven fabrics, *alachas* and *tukris* which the Mughal merchants also used to buy for the markets of Persia where these were used as petti-coats for women. Silk manufactures, such as *do-pattas*, *ornees* (women's veils), *ballabands* (turban bands) and *alachas* from Malda, quilts from Satgaon and *tassar* silk goods from Sherpur and other places in Bengal, and *ambarees* and *charkhanas* from Orissa also used to come to Patna. Silk quilts from Satgaon and *alachas* from Baikunthpur were exported to England from Patna *via* Agra and Surat. The silk supply of the English in 1620 composed 12 scores (or 240) of *tassar*, 22 quilts of Satgaon, 334 pieces of Baikunthpur *alachas*, 270½ seers of Bengal silk and Malda fabrics for Persia. But Patna was more important as the market for the purchase of silk cocoons and skein (yarn). These used to come here chiefly from Murshidabad, where "there were innumerable silk-winders, expert workmen and labour cheaper by a third than elsewhere." Pelsaert records that Patna yielded annually 1,000 to 2,000 maunds of raw silk. This was obviously unwound silk or *serbundy*. But the attempt of the Englishman Hughes and his associate John Parker to open trade with Bengal from Patna eventually failed, Patna being situated too inland. Trade exploration followed for another three decades, and it was only in 1651 that the English settled a factory at Hooghly for securing large quantities of silk, saltpetre and sugar. Soon after Bengal silk came into great favour in England and was a successful competitor of Persian and Chinese silk in the European markets. A string of European factories grew up in Bengal and Bihar for the purchase and manufacture of silks for Europe. It would appear that raw silk principally obtained from the region of Kasimbazar, near Murshidabad, was carried to Gujarat and there woven into fabrics chiefly in the towns of Ahmedabad and Surat. The Dutch bought in Kasimbazar bales of silk for Holland or for trade with Japan, and there was keen competition for purchase with the merchants of China and the Indian traders. The silk bought by the European merchants was shipped from Hooghly; some of the silk purchased by the Indian merchants came to Surat and Ahmedabad. From Bernier we learn that the Dutch merchants employed sometimes seven or eight

hundred weavers in their silk factory at Kasimbazar, and the English and the French, a proportionate number, probably three hundred each. But the weavers worked also in their cottages, and received advances through the Company's dalals or directly. There developed a regular competition among the European merchants and factors to buy raw silk and cloths, while the East India Company sent patterns, weavers and mills to India to encourage silk manufacture. We read in one of the East India Company's Despatches to Hooghly (1681): "Set your Weavers' Inventions at work to make Plushes, Velvets, and Satins as fine, rich and strong as the best usually worn here, and of the same breadth; there is nothing so difficult but may be effected where the material and silk and midwife labour are so cheap as with you."<sup>5</sup> Towards the end of the 17th century there were three most important English establishments in the Bay of Bengal: Hooghly and Kasimbazar, where they made their principal sales, and Balasore, where "they loaded and unloaded Europe's ships." Patna, Singhiya (or Lalganj, about 15 miles north of Patna), Malda, and Dacca also had factories. Many kinds of cotton and silk goods were received from these places for the English market. "Dacca," said Manucci (1633), "produced the prodigious quantity of fine white cloth and silken stuffs of which the nations of Europe and elsewhere transport annually several ship-loads."<sup>6</sup> Dacca muslins were regularly supplied to the imperial and provincial courts and were on sale all over Northern India. These were exported to "Khorasan, Persia, Turkey and many other countries" by the land-route *via* Lahore and by sea to Gombroon in the Persian Gulf *via* Masulipatam, Goa and Surat.<sup>7</sup> Dacca *mulmul* and Malda *cassas* as well as *fotahs* (turban cloth) were included among the regular items of Dutch export trade. \*

It is probable, however, that these cloth goods were too dear for the markets eastward of Achir. Pyrard de Laval (1608—11)

<sup>5</sup> Quoted in Khan, *East India Trade in the Seventeenth Century*, p. 156.

<sup>6</sup> Manucci, *Storia Da Mogor*, Vol. II, p. 430.

<sup>7</sup> *Manrique*, Vol I, p. 57.

mentions that Bengal was a very nursing mother to all parts of India as well as Sumatra, Moluccas and the islands of Sunda, supplying them with their entire subsistence and food. He also refers to the export from Bengal of raw cotton and cotton fabrics to the rest of India and chiefly to the parts about Sunda. Silks were also largely exported.<sup>8</sup> Rice, wheat, sugar, oil, butter and opium used to be exported to the Indian Archipelago, Cochin and Coromandel on account of their cheapness. Saddlery was also exported to Southern and Western India, China and Persia, and for some decades there was also export of slaves and eunuchs. Silk, sugar, opium, rice, wheat, oil, butter, coarse hemp and gunny are mentioned as articles of trade along with cotton cloth, cotton, *tassar* or herbs by Streynsham Master who toured Bengal in 1676. One year later (1677) we observe the following items of Bengal export from the East India Company's Records: Coloured Gingham, 10,000 pieces; mulmulls, 4,000; silk romalls; 15,000; nillaes, 10,000; fine humhums of Dacca, but no coarse ones, 10,000; taffaties, 30,000; raw silk, 600 bales; saltpetre, 1000 tons, stick-lac, of the best and blackest, 50 tons. This is a typical list of exports from Bengal for the European markets. Of the Asiatic markets, Arabia, Mesopotamia and Persia are the countries, mentioned by Bernier, where sugar was exported from Bengal, and Ceylon and the Maldives among the places where rice was exported. Rice, along with wheat, oil and butter, used also to be exported from Bengal to the East Indies, the Coromandel Coast and Malabar, and from the Coromandel Coast regularly to Cochin and Malabar.

### *Decay of Ancient Indian Ports.*

While in the east Chittagong or Porto Grande's decay was largely due to the depredations of the Aracanese pirates and the loss of importance of Rajmahal, in the west Surat declined due to the depredations of the Marathas. With the decline of Surat which eclipsed the prosperity of Lahari Bandar that had lost its importance after the defeat of the Portuguese at Ormuz, the centre

<sup>8</sup> *The Voyage of Pyrrard de Laval*, pp. 327—329

of commerce gradually shifted to Bengal. In Bengal the chief centres of commerce in the Mughal days were Patna, Rajmahal, Satgaon, Chandecan, Pipili, Dacca, Sripur and Sonargaon, excluding the various foreign settlements which were gradually rising into importance. Of these Satgaon or Saptagram was most important. Says the poet, Mukundaram: "Merchants of Kalinga (Orissa), Trailanga (Madras), Mahendra (Ceylon), Maharashtra and Gujarat come to Saptagram, but the merchants of Saptagrama do not visit other ports and countries, but enjoy their fortunes at home." In the middle of the 16th century Satagaon, the far-famed Porto Pequeno of the Portuguese, declined due to the silting up of the Saraswati, and gradually Hooghly which was founded by the Portuguese in 1538 drew away all its trade. Hooghly rose into great prosperity in the middle of the next century with its English and Dutch settlements. Under the name of Bukshi Bandar it became the emporium of the greater part of the trade carried on between Europe, Persia, Arabia and India. The principal centres of shipbuilding at this time appear to have been Hooghly, Baleswar, Murang, Chilmari, Jessore and Karibari.<sup>9</sup> To many of the Bengal ports situated on the river Ganges and its "many large and fair arms," observes Bowrey (1670), "flocked many Dutch, English, Portuguese merchants." He continues, "Many ships of the Dutch, the English and the Portuguese do annually resort to lade and transport of sundry commodities; hence great commerce go on into most parts of account in India, Persia, China and South Seas." Even to far-off Chittagong in the east Indian merchants, "Benjanen (Banias) and Keteris (Kshatris) flocked from Lahore, Agra, Delhi and other places."<sup>10</sup> The major exports from Bengal until the middle of the 17th century continued to be rice, lac, butter, sugar, indigo, pepper, raw cotton and silk and cotton fabrics. Rice was carried up the Ganges as far as Patna, and exported by sea to the Coromandel Coast, Ceylon and the Maldives. Sugar also went from Bengal to the Carnatic and

<sup>9</sup> See Mookerji, *History of Indian Shipping and Maritime Activity*.

<sup>10</sup> Willemssen (1618), quoted by Brij Narain: *Indian Eco-Past and Present*, p. 60.

to Persia, Arabia and Mesopotamia.<sup>11</sup> Of all these commodities cotton fabrics were most important. Fitch (1583—1591) records: "Great store of cotton cloth goeth from hence (Sonārgaön, the capital of Eastern Bengal), wherewith they serve all India, Ceilon, Pegu, Malacca, Sumatra and many other places." The shift of importance of industrial centres is illustrated by the fact that the eastern Madras sea-board which was one of the most productive seats of the cotton industry in the past lost its trade due to the downfall of the Muslim kings of Golconda (1687) and the increase of the depredations of the Marathas, and the primacy in cotton manufacture was gradually transferred to Bengal. Similarly Samana, Dariyabad and Patna did not maintain their position in the foreign trade for long. Gujarat and, in less measure, Bengal on the whole retained their importance for the supply of different classes of cotton goods longest. In the latter province, again, insecurity, depredation of pirates and trouble with Denmark restricted the export trade in the first half of the 17th century. In the first quarter of the 18th century Bengal's industry and trade received a serious set back due to the loss of trade in Persia, Babylonia and Egypt caused by political convulsions and civil wars. "The distracted state of Egypt," wrote Dow, "almost shut up the trade by caravans from Suez to Cairo; from the latter of which the manufactures of Bengal were conveyed by sea to all the ports of the Ottoman dominions." Simultaneously the greed of the Sultan of Bagdad strangled the commerce with Syria. Within the Province the constant Maratha inroads led to the wholesale abandonment of aurangs and villages by the weavers and complete dislocation of trade.

In the western coast of India besides Lahari Bandar and Surat there also grew into importance such ports as Broach, Chaul, Rajapur, Goa (before its annexation by the Portuguese), and Karwar. The important exports from this region were different kinds of cloths made in Gujarat and Ahmedabad, though commodities from other regions such as indigo, saltpetre, pepper and spices were assembled here for export. Silk fabrics

<sup>11</sup> *Bernier*, p. 437.

woven out of Murshidabad silk in Ahmedabad and Gujarat went to Holland and Japan. Patoles of Ahmedabad were exported to the Philippines, Borneo, Java, Sumatra and other neighbouring lands. Baftas dyed in Agra and Ahmedabad went to East Africa, Abyssinia and Arabia. The important ports for trade with Africa were Zeda, Berbera, Mocha, Aden, Massowah, Melinda and Sofala. "The most important trading voyage of the Portuguese," records Visscher from Malabar, "is that to Mozambique. Here they sell linen and other commodities, and purchase in exchange many slaves (or kaffres) whom they convey to Goa where they fetch a good price." Cochin is described by Frederici (1563—1581) as the "chiefest place that the Portuguls have in the Indies next unto Goa." "Several ships from all parts of the world annually cast anchor (in Cochin)," observes Visscher, "as Malabar, situated as it were in the centre of the East Indies, is a convenient station for vessels to refit and take in water, fuel, and provisions (which articles are good and plentiful here) before continuing their voyage, vessels from Batavia to Mocha, or from Persia and Surat to Batavia, touch here, as well as French and English ships on their way to and from their Indian settlements. It is also frequented by Moorish vessels."<sup>12</sup> Colombo was also an important intermediate port touched by all shipping bound from Bengal, Pegu or the Indian Archipelago to Malabar and Gujarat. In the Bay of Bengal the major ports were Hooghly, Pipli, Chittagong, Masulipatam, St. Thome, Negapatam, Kusima, Martaban, Tenasserim and Kedah that maintained their importance for centuries. From the Indian ports the white cloth of Bengal and the painted cloth of the Coromandel coast went to Pegu, the Indian Archipelago, Siam and Cambodia. At the end of the sixteenth century several important ports were visited by Fitch (1583—1591) in the Eastern waters. He sailed from Sripur, the famous capital of Chand Rai at the old conference of the Meghna and the Padma, passed by the island of Sandwip and reached Kusima, modern Bassein. Medon (not identified), Dela

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<sup>12</sup> Visscher's Letter no. II, quoted in K.P.P Menon's *History of Kerala*, p. 11.



(Dala, part of the city of Rangoon), Syriam, Mahkan, Martaban, Tavoy, Tenasserim and Junkseylon are other ports touched. Thence he reached Malacca, the most important emporium of the East. In Malaya, Kedah (Sanskrit, Kataha) and Patani were often visited by foreign ships throughout the seventeenth century; and in the Indian Archipelago, the ports frequented were Tikou, Priaman, Achin, Jambi, Indragiri, Palembang and Bencoolen in Sumatra; Bantam, Jakatra and Japara in Java; Sukadana, Sambas and Banjarmassin in Borneo; Macassar in Celebes; the islands of Amboyna, Ceram, Banda and the Moluccas, Ayuthia, the capital of Siam, Camboj and Tongking grew into importance towards the end of the seventeenth century when the European traders sought to trade with China through Macao and Amoy for obtaining gold, copper, silk, musk, porcelain, tea, sweetmeats and sugar. In far-off Japan, Nagasaki, Hirado and Yedo were also visited by foreign merchants who sought principally silver and copper in that country.

#### *Inland Trade and Transport.*

The considerable volume of both internal and foreign trade in the country was maintained efficiently by a network of banking and whole-sale mercantile establishments in all the trade and industrial centres of India, by organised caravan and river-borne traffic and by the system of payment by *hundies*. Caravans and *cafilas* travelled long distances, as for instance, from Bengal to Agra or from Agra to Multan, Lahore, Surat or Buckur on the banks of the Indus. Such caravans sometimes comprised as many as 20,000 animals.<sup>13</sup> Tavernier described a caravan thus: "They give an ox a load weighing 300 or 350 *livres*, and it is an astonishing sight to behold caravans numbering 10,000 or 12,000 oxen together, for the transport of rice, corn, and salt—carrying rice to where corn only grows, and corn to where rice only grows, and salt to the places where there is none." Similarly Peter Mundy (1628-34) came across in his itinerary caravans comprising even

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<sup>13</sup> Manrique describes the Great Caravan of 60,000 camels carrying pilgrims and merchandise from Damascus to Mecca (*Travels*, Vol. 2, p. 380.)

14,000 to 20,000 oxen, each carrying a load of four maunds. The camp of the Banjaras, a nomadic tribe of public carriers, was called *tanda* and comprised men, women and children who continually move from place to place. "Their oxen are their own. They are sometimes hired by merchants, but most commonly are the merchants themselves, buying grain where it is cheap and carrying it to places where it is dearer, and from thence re-loading themselves with such things as salt, sugar, butter etc." Hughes (1620) and John Marshall (1668-1672) give interesting accounts of the rates of transport from Patna to Agra. A cart which carries 81 maunds costs Rs. 153, and Rs. 8 more if it be punctual. A cart which carries 44 maunds and is carried by 6 oxen is let for Rs. 80. A cart that carries 4 men and is carried by two oxen is let for Rs. 22. A horse is let for Rs. 10. This hiring of oxen, carts, wagons or horses is carried on throughout the year, except for the four rainy months.<sup>14</sup> According to Hughes the journey by land from Patna to Agra occupied 30 to 35 days. On an average, John Marshall records, it took nearly 40 days to travel from Surat to Agra, *via* Burhanpur, about 550 miles, and 30 to 40 days more to travel between Agra and Patna, a distance of another 550 miles. Tavernier mentions that a cart with two oxen could be hired ordinarily for about a rupee a day; so that the whole journey from Surat to Agra which occupied 35 to 40 days cost about Rs. 40 to Rs. 45. The distance from Surat to Golconda was about the same, and cost the same amount. Tavernier adds that it was in the same proportion throughout the whole of India.<sup>15</sup> Between Agra and Lahore the journey took fifteen days, according to Bernier and twenty-one days, according to Manrique.<sup>16</sup> Between Golconda and Masulipatam on the Bay, the journey undertaken by Ravenstein, the road was not free from risks.

On rivers there was a flourishing boat traffic. Peter Mundy observes: "Great Lighters or Barges of 300 or

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<sup>14</sup> Khan. *John Marshall in India*, p. 425

<sup>15</sup> *Tavernier*, I, p. 45.

<sup>16</sup> *Bernier*, p. 358; *Manrique*, Vol. 2, p. 179.

400 tons each regularly plied between Agra and Bengal, as far as Dacca, touching on the various important inland river stations like Etawa, Allahabad, Patna, etc. transporting chiefly salt and diverse other kinds of merchandise. These usually set out during the rainy season when the rivers are full and currents swift. Many of these Lighters or Gabares (Gabbarts or Patelas) as he calls them, served also for transporting great men with their household and household staff, and had houses in the middle for the women. Some of these great boats had "several rooms, able to carry a pretty village with all their inhabitants and goods; such is their hugeness." Fitch went from Agra to Satgaon in Bengal with a fleet of 180 boats laden with salt, opium, hinge, lead, carpets etc. He thus described the periodical markets of Bengal frequented by large numbers of *haturia* boats: "In Bengala they have every day in one place or other a great market which they call Chandeau, and they have many great boats (pericose) wherewithal they go from place to place and buy rice and many other things; these boats have 24 to 26 oars to row them; they be of great burthen, but have no coverture." Bowrey (1669—1679) also referred to the river-boats, called Patellas, great flat-bottomed vessels of an exceeding strength, bringing down 4000, 5000 or 6000 Bengal maunds of merchandise. Similarly about 40,000 boats used to ply on the river Indus.

### *Indian Shipping in the Asiatic Seas.*

Most foreign merchants were, however, more impressed with the size and numbers of ships which waited in all the big ports of India ready to sail out in the open seas as these were laden with rich merchandise. A few references may here be adduced. Nicolo Conti's description (1420) of Indian shipping is most striking. "The natives of India build some ships larger than ours, capable of containing 2000 butts, and with five sails and as many masts. The lower part is constructed with triple planks, in order to withstand the force of the tempests to which they are much exposed. But some ships are so built in compartments that should one part be shattered, the other portion remaining entire may accomplish the voyage." Indian ships of large size moved from

port to port in the eastern waters from Mocha to Malacca. They used to proceed to the Red Sea and the Persian Gulf in the month of January returning in September or October; while the voyages to the Indian Archipelago were undertaken in September, the ships returning in April. Evidently the stormy monsoon months were avoided by the Indian navigators and merchants in the Asiatic seas. European ships also used to reach these seas in autumn, and the last ships of the season for Europe left the Indian shores by the third week of March. About a century after Nicolo Conti, the Portuguese traveller Barbosa in Bengal visited the sea-port of Bengala "with a very good harbour" in 1514. "Many foreigners from various parts live in this city, both Arabs and Persians, Abyssinians and Indians. They are all great merchants, and own large ships of the same build as those of Mekkah, and others of the Chinese build which they call jungos which are very large and carry a very considerable cargo. With these ships they navigate to Cholemener, Malabar, Cambay, Peigu, Tarnasari, Samatra, Ceylon, and Malaca; and they trade in all kinds of goods, from many places to others." At Malacca Albuquerque found large numbers of Asiatic traders, of whom the following were especially mentioned Persians, Guzeratis, Burmans, Malabaris, merchants from the Coromandel coast, and from the Lew Chew Islands, manned by the Gores (may be Japanese). At Goa a fleet of 240 ships was seen by Best (1612) bound for Cambay. At Cambay Downton (1613) came across a fleet of nearly 500 Portuguese frigates. At Surat a fleet of 120 vessels and 10 great ships were captured by the Portuguese in 1612 at one stroke. Pelsaert mentions on the basis of the testimony of the Indian merchants of Surat that from this port alone there used to sail every year four or five of the King's great ships, each of 400 or 500 last (*i.e.*, 800 or 1,000 tons) two for Achin, two for Ormuz, two for Bantam, Macassar and those parts, besides smaller ships owned by individual merchants, coming and going in large numbers. Sir Thomas Roe (1616) recorded that the Red Sea trade was conducted in the Indian junks by the Gujarati merchants and was their main support. In Bengal Pyrard (1608—1611) remarks, "One sees arrive there every day an infinite number of

vessels from all parts of India for these provisions (rice, wheat, oil, and butter)." Manrique (1629—1643) also refers to the abundant shipping activity in Bengal which was much frequented by foreigners. "So expensive is the trade that over 100 vessels are yearly loaded up in the ports of Bengala with only rice, sugar, fats, oils, wax and other similar articles."<sup>17</sup> Alexander Hamilton (1688—1723) refers to the town of Hooghly as driving a great trade and affording rich cargoes for fifty or sixty ships yearly, besides what is carried to neighbouring countries in small vessels. Cæsar Frederick came across 18 ships of the Portuguese alone at this port. From this port sailed 30 to 40 ships to Cochin alone. Does the Cochin back-water represent the quiet sea where the Bengali merchant Srimanta Sadagar's fleet met its doom? 30 to 40 ships brought cowries from the Maldives. Many ships also used to carry merchandise from Bengal to Coromandel, Ceylon, Aracan, Pegu, Siam and the Indian Archipelago. Their numbers are not recorded. But the Dag Register (9th and 10th March, 1665) mentions 12 Moslem ships as having arrived before Achin in Sumatra, 4 from Bengal, 3 from Masulipatam, 2 from Negapatam, 1 from Porto Novo and 2 from Surat, the last carrying a very valuable cargo.<sup>18</sup> A specific number of vessels in Calcutta is also obtained from the Gentleman's Gazette of Calcutta which refers to the havoc caused by a tornado at the mouth of the Ganges in 1737. It was estimated that "20,000 ships, barges, sloops, boats, canoes, etc., have been cast away."<sup>19</sup> Ships and boats of all kinds and categories were built in numerous ship-building centres in the country. The most important of these were Bassein, Goa, Surat, Masulipatam, Satgaon, Dacca and Chittagong. It was at Bassein, according to Pyrard, that all ships belonging to the King of Spain in the Indies were built. Ships were owned by the merchants themselves. Some of the Indian merchants were so rich

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<sup>17</sup> *Manrique*, Vol. I, p. 56

<sup>18</sup> See Brij Narain, *Indian Economic Life, Past and Present*, p. 80. He adds that no other reference to the arrival of Indian ships in these waters in later years is discernible.

<sup>19</sup> Quoted in Bejoy Kumar Sarkar, *Inland Transport and Communication in Medieval India*, p. 16,

that they could, according to Nicolo Conti, carry on their business in forty of their own ships each of which is valued at 15,000 gold pieces. Especially enterprising were the merchants of Gujarat, Malabar, Coromandel, Orissa and Bengal. "The Gujaratis," wrote Kerridge and Rastrell, "trade with Zeila, Berbera, Aden, Mocha, and many other ports of the Red Sea."<sup>20</sup> Such sea-going vessels were manned by sailors who hailed from the sea-board and riverine areas. The Canarins, natives of Salsette, Colombo, Jessore and Chittagong, already won their reputation as *lascars* and captains at the beginning of the 17th century. In Mukundaram's epic the 17th century sailors of the eastern seas are called Bangals, who obviously hailed from Chittagong and other coast districts of the east, and the peculiarities of whose dialect were made fun of by the poet who belonged to Burdwan in Western Bengal. In medieval Bengali literature the sailors were called 'gabars' and the admiral 'mirbahar.' In the Manasamangal of Bansidas (written in the 16th century) we find that the Bengali merchant Chand's fleet of 42 vessels after reaching the sea passed through Utkal and Kalinga, and reached Lanka or Ceylon. Rounding Cape Comorin, the fleet passed Malaya (Malaya-Khandam) or Travancore, Vijaynagar, the inland capital city of Karnata, Parasuram Tirtha or Sopara and the vast sea called the Nīlaccār bunk (i.e., bend of sea near Nilacca—perhaps Laccadives). Thence crossing the sea "by looking at the stars" they reached the city of Patan or Pattana which is Anahilapattana, the chief city of Gujarat or Western India in the Middle Ages. Several ports and towns beyond the boundaries of India we come across in Mukundaram's *Chandikavya*. It is not easy to identify all of these. Abartana may be the port of Martaban in Pegu. Nilacca and Nakuta are probably the Laccadives and Nicobar islands respectively. Malaya is the Malay Peninsula. Sibatta may be Sribuza of the Arabs i.e., Sri-Visaya or Sri-Vijaya in Java. Pralamba is Palembang, capital of Java. Trihatta is Tharekhettara or Arakan. Ahilanka may be Ramanalanka, Kamalanka or Pegu. The Kalidaha or the black lagoon placed near Lanka or Ceylon may be the Cochin

<sup>20</sup> *The English Factories, 1618—1621*, p. 56

backwater. Among the Indian ports and places mentioned whose merchants visited Saptagram are: Kalinga, Manika (Manikapattan, sometime capital of Kalinga), Puri, Chilkachuli (Chicacole), Banpur (Mahabalipuram), Mahendra (the southern extremity of the Eastern Ghats in Madura), Trihatta (Tripati), Rameswar, Lanka, Vijaynagara, Parasuram Tirtha (Surparaka), Dwaraka and Gujarat. There is a reference to the custom of girls on marriage being placed for some time in the priest's house, and to brothers exchanging their wives in Bijoygupta's Manasamangal which refer to *sambandham* and fraternal polyandry of Malabar. From the descriptions of the poets it appears that the merchandise carried on in the Bengali ships was intended principally for Gujarat, Java and Ceylon.<sup>21</sup> Among the commodities mentioned by Mukundaram which were bartered in Ceylon were cloth in lieu of pots, jute in lieu of chamar, glass in lieu of emerald, and sea-salt in lieu of rock-salt. Rice, oil, clarified butter and conch-shells are also frequently mentioned as items of export, and elephants, horses, and spices as imports. In Mukundaram we also come across such fine names of sea-going vessels as Madhukar (Bee), Guarekhi (with prow resembling the head of a lion), Ranajaya (victory), Ranabhima (the dangerous in war), Mahakaya (Leviathan), Sarvadhara (all-embracing) and Natasala (recreation hall). Seven, fourteen or forty-two vessels used to form a sea-going fleet which was commanded by a flag-ship under the admiral of the fleet.

### *Tonnage and Numbers of Sea-going Vessels.*

A reference to the tonnage of the boats and ships will be of interest. Jourdain (1611) speaks of the yearly movement of salt from Agra to Bengal in great barges in 400 or 500 tons a picce. Peter Mundy also speaks of *bajras* or barges of 300—500 tons plying between Agra and Dacca. It should be pointed out for the sake of comparison that until the beginning of the 19th century

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<sup>21</sup> For several lists of commodities of commerce in medieval Bengali literature, see Tamonash Chandra Das Gupta, *Aspects of Bengali Society*, pp. 27—29.



300—400 tons were considered the standard of a fair-sized sea-going ship in England. In both tonnage and numbers of ships the Indian waters showed superiority to the Western seas. In certain ports of India there assembled even 500 ships. Milburn in his 'Oriental Commerce' mentions that in 1588 there were only some hundred and fifty ships employed by England in her trade to all parts of the world, and these had an average burden of only a hundred and fifty tons, while in 1602 the shipping of the country was said to have declined by a third in the course of the previous twelve years. The Gogha vessel, the *Rehemi*, captured by the Portuguese had a tonnage of 1500 tons. This was described as the largest vessel in the Indian seas at that time. The Portuguese carracks showed usually a tonnage of 1500 to 2000 tons. The smaller Indian vessels were of 60 to 80 tons, but vessels between 900—1500 tons were often met with in the Eastern waters. In 1612 Sir H. Middleton saw a Surat ship which was 153 ft. long, 42 feet broad, 31 feet deep, and which carried a burthen of 1500 tons. No doubt ships of large size made in India plied in the Eastern seas in the 17th century. Terry (1616) observed in this connection: "The vessels which sailed from Surat to Mocha were of an exceeding great burthen. Some of them at the least 1400 or 1600 tons, but they were ill-built, and though they had good ordnance could not defend themselves. One of these ships had on board 1700 passengers." Bowrey (1669—1679), who travelled in countries round the Bay of Bengal, referred to the Indian ships and boats as "among the best of this kind for this period," and especially "to the men-of-war prows," which were used in the Malay Archipelago. He described the people of Metchlepatam (Masulipatam) as "great merchant adventurers who transport vast stocks in the goods aforesaid, both in their own ships as also upon freight in English ships or vessels." Arriving at this great port in 1657 Christopher Hotton found it in a very flourishing condition: "20 sail of ships of burden *belonging to the native inhabitants* here constantly employed on voyages so Arrakan, Pegu, Tenassery, Queda, Malacca, . . . Moca, Persia, and the Maldiv Islands. Several ships trade yearly to Arrakan, Tenassery, and Ceylon to purchase elephants for the King of Golconda and his nobility.

They bring in some of his ships from fourteen to twenty-five of these vast creatures. They must of necessity be of very considerable burthens and built exceeding strong.”<sup>22</sup> Bal Krishna after a careful scrutiny of merchant shipping in the different ports of India estimates that the total shipping entering or leaving the various ports of the country amounted to 3,45,000 tons, out of which 85,000 tons were usually employed in carrying goods to and from countries outside India and the rest were engaged in its coastal trade.<sup>23</sup> It is clear that the volume of sea-borne trade in the Asiatic waters in the 17th century was far greater than in any seas in the world.

### *Effects of European Piracy.*

The brisk ocean traffic carried on Indian vessels which “in shape exceed those that come either out of England or Holland” was ultimately crushed by the piracy of the Portuguese, the Dutch and the English on the sea. At first the Portuguese and then, as the 17th century progressed, the English and the Dutch pirates seized Indian vessels on the routes to Persia and the Red Sea and their robbery was largely responsible for the ruin of many sea ports in Western India, notably Cambay, Goa and Dabol. Pelsaert observes, “All merchants, from whatever country they come, complain most bitterly. Portuguese, Moslem and Hindus all concur in putting the blame for state of things entirely on the English and on us, saying that we are the scourges of the sea and of their prosperity.” In the Bay of Bengal the sea-route from the Ganges basin and the Coromandel Coast to the Indian Archipelago was sought to be monopolised by the Portuguese and then by the Dutch who seized and captured as prizes all Indian vessels. “In the mouth of the Ganges,” wrote Finch (1608—11), the Portugal out-laws hold a small fort, and doe much mischief, living in no forme of subjection to God or man.” There is an interesting reference to Portuguese piracy in the Bengal poet

<sup>22</sup> Quoted in Mookerji, *History of Indian Shipping*, pp. 232—235.

<sup>23</sup> Bal Krishna, *Commercial Relations Between India and England*, (1601—1757), pp. 279—281.

Mukundaram's epic which describes the merchant prince Dhanapati's voyage to Ceylon. The couplet is as follows:

“কিরাজির দেশখান বাহে কর্ণধারে ।  
রাত্রিতে বাহিয়া যায় হরমাদের ভরে ।”

The clever pilot steers his fleet through the territory occupied by the Portuguese, swiftly and stealthily at night for fear of the Harmada (obviously Armada).<sup>24</sup> Bengali ships used to avoid the Saraswati course to Hijli but flowed down the Adi Ganga in the western delta on account of pirate nests in the deeper western outlet.

An English letter from Surat to the East India Company, 1647, records the publication of “resolutions” by the Dutch at Surat, at the coast and other places “to intercept all such shipping as they shall encounter bound thither (Achin).”<sup>25</sup> The English followed suit with the same policy of preventing Indian vessels from trading with the Archipelago. We read in a letter addressed from the English factors of Surat to Madras in 1658 as follows: “In a postscript dealing with a Madras letter just received it was laid down that for the future none but the Company's ships were to be allowed to trade to Achin, Bantam or elsewhere. You suffering no private man's ship of our nation whatsoever to voyage to and fro, neither to the ports the Honourable Company trade not unto, as well as where they do; nay, not suffer Banias or Moors (vessels) (except the Kings) to trade at the ports the Company does, to their prejudice. The Dutch do not, any why we? It is our practice here, and it will be the better for our master's profit that you do it there also.”<sup>26</sup> More than anything else the loss of the Indian ocean-borne and coastal traffic due to the weakness, nay helplessness, of the Moguls at sea contributed towards the gradual decline and ruin of India's manufactures.

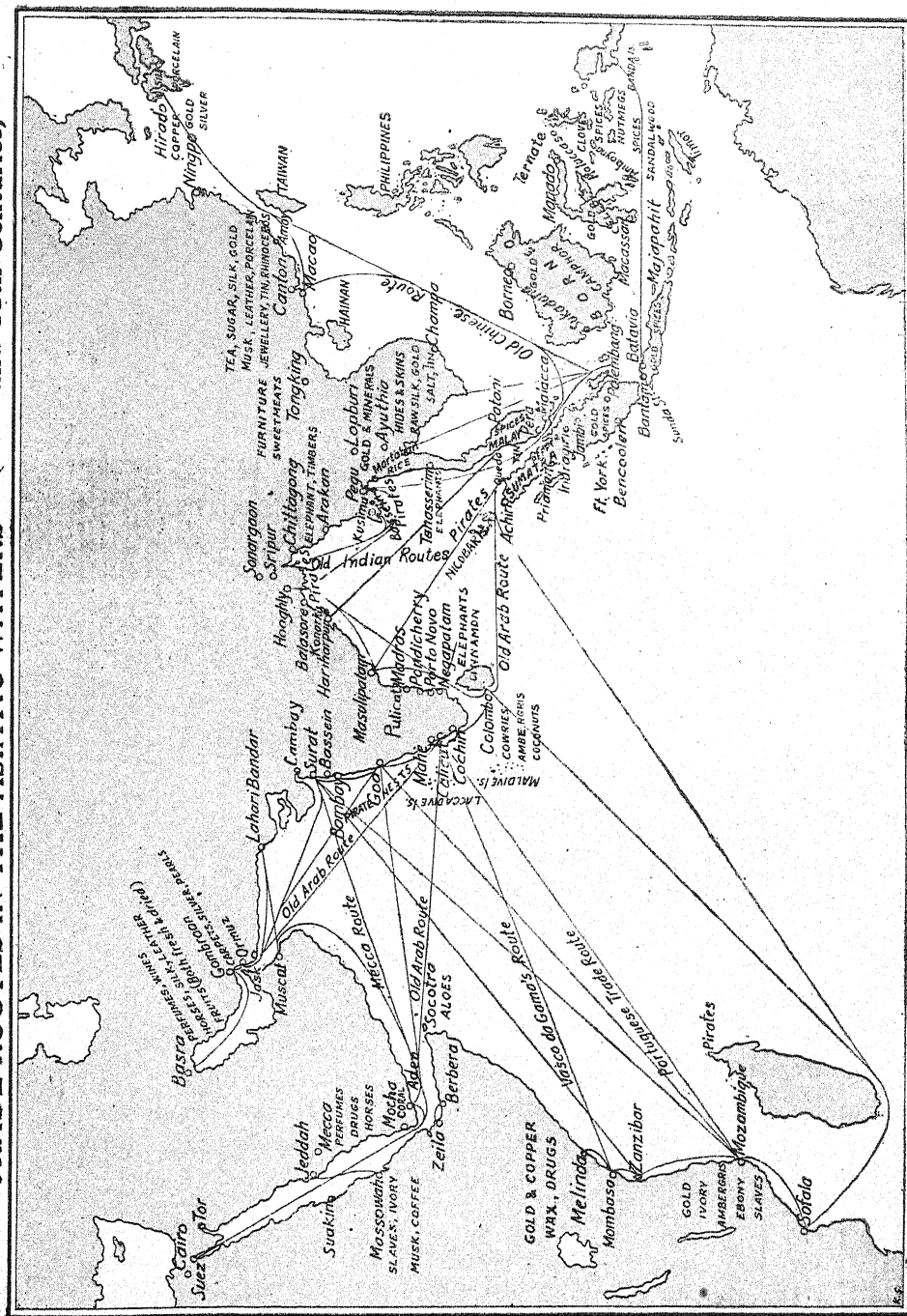
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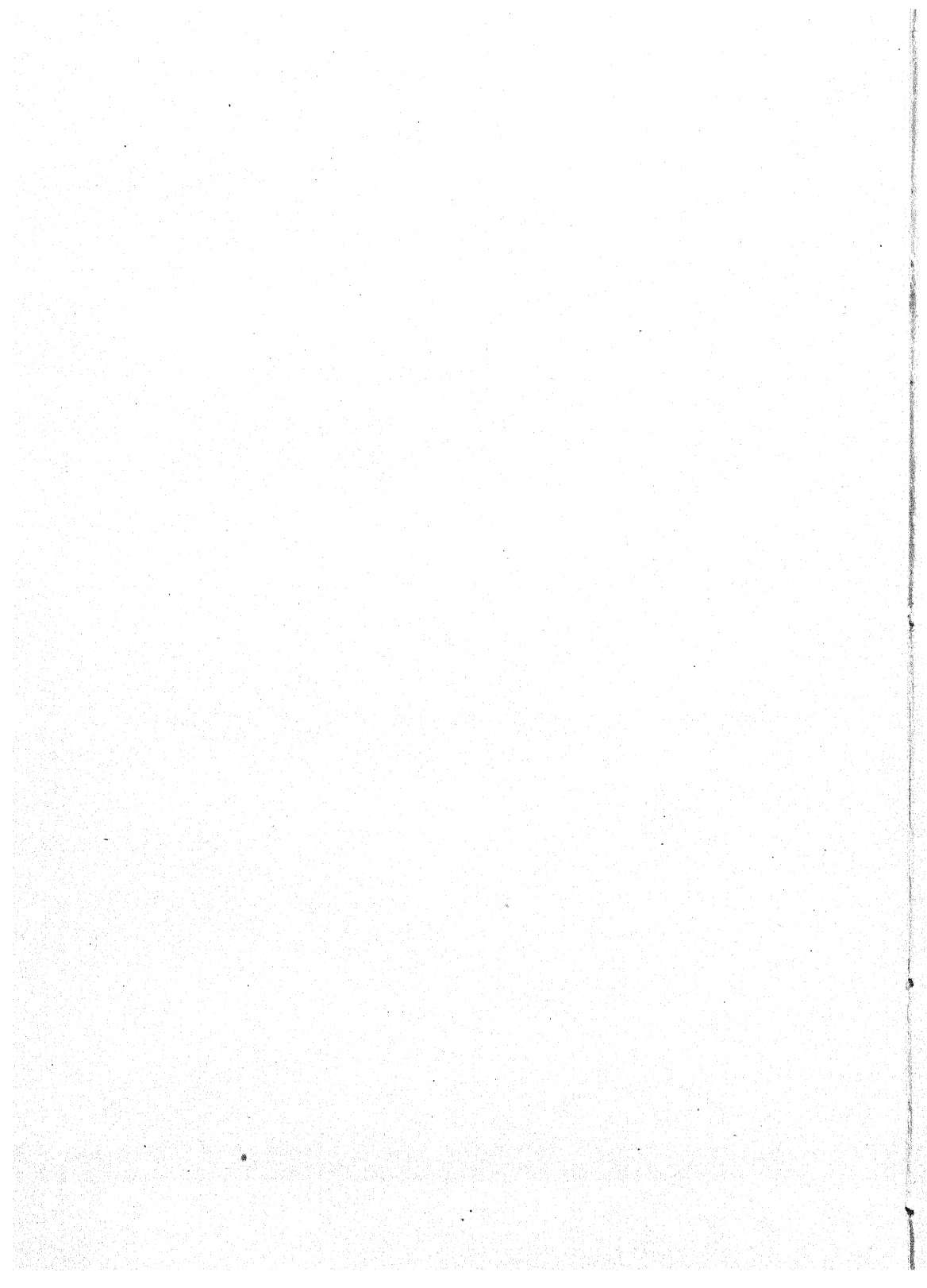
<sup>24</sup> *Mukundaram*, Bangavasi Edition, p. 200

<sup>25</sup> *The English Factories*, VIII, p. 163.

<sup>26</sup> *The English Factories*, X, p. 272

# TRADE-ROUTES IN THE ASIATIC WATERS (17th and 18th Centuries)

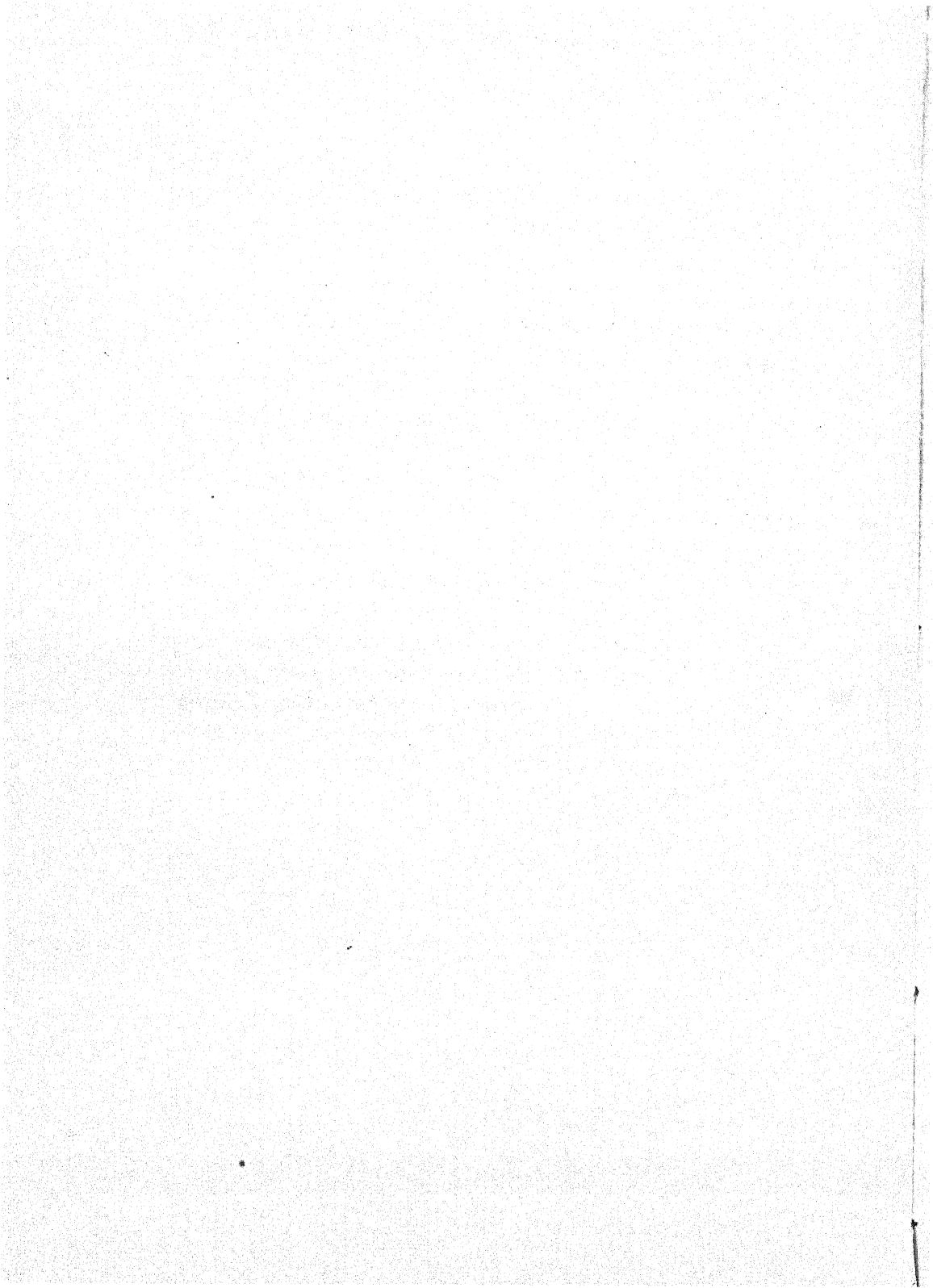




## APPENDIX ON TRADE-ROUTES IN THE ASIATIC WATERS.

The Asiatic sea-routes have been aligned on the basis of the old Chinese and Arab spice trade-route up till the end of the 15th century and the routes taken by the Portuguese voyagers. The latter followed in the wake of Vasco da Gama who for the first time touched the Indian soil at Calicut in 1498 from the African coast *via* Cape of Good Hope. This long and arduous route was later on followed up by the Dutch, French and English adventurers and traders.

The first notable voyager to the East Indies was Lopez de Sequeira, who in 1509 landed *via* Ceylon on the port of Malacca that was seized by the Portuguese in 1511. This route was previously used by the Indian, Arab and Chinese merchants who traded in spices from the Indian Archipelago. The Portuguese gradually extended their trade-route to the Moluccas which they captured in 1521, thus establishing their monopoly of the spice business. Sea-routes to the West through the Persian Gulf and the Red Sea also had long been used by both Indian and Arab merchants. The distribution of commodities of Asiatic commerce is obtained from the descriptions of the various European travellers.





## SECTION VII

### The Economic Decline

#### *Advent of the Europeans in Asiatic Trade and Commerce.*

*The Travels of Marco Polo* made history. This Venetian traveller, who at the end of the 13th century lived for many years in China, and on his homeward voyage visited Sumatra, South India and Hormuz, fired the imagination and greed of the European peoples by his description of the fabulous riches of the East in products of industry, in "cloth of silk and gold and many fine taffetas," and in gold, silver and precious stones. He also added significantly that the millions of people were peaceful and of good manners, and were "no warriors at all." The 15th century literature and romance of Europe were full of names occurring in Marco Polo's *Travels* and of his million ducats. On the other hand, with the break-down of the Mongol Empire that extended from the Yellow River to the Danube, and that was responsible for the discovery of Asia by Marco Polo and by other famous travellers, merchants and missionaries as well as the rise of the Ottoman Turks in Central Asia, the land-route to the East via Levant and Persia was closed for the merchants and explorers of Europe. European kings, adventurers and navigators now felt that if they could somehow discover the sea-route to Indostan and Cathay, "the wealth of Ormuz and of Ind" could be secured from the unwarlike teeming millions without much effort, aided by their pious coreligionist, Prester John. Vasco da Gama was the first European navigator to reach India. He sailed round the southern point of Africa and reached the coast of Malabar from the African port of Melinda with the assistance of an Arab or Indian pilot.

It is significant that the first European explorer and merchant acquainted himself with the Indies in the coast of Malabar, the only region in India to grow the much coveted pepper and in whose ports were sold the diamonds and precious stones of Golconda and the famous Coromandel muslins, of which Marco Polo wrote: "in sooth they both look like tissue of spider's web; there is no king or queen in the world but might be glad to wear them," and which the Portuguese later on gave the trade-name *Beteela* (veiling). Malabar was the half-way house for the traffic of the Indian ocean coming from China, the Spice Islands, Pegu and Bengal on the one hand, and the Red Sea and the Persian Gulf on the other,—where Arab, Indian and Chinese ships found also a safe anchorage in the back-water during the monsoon season. Malabar in fact was a busy hive of ocean-borne commerce with a vast assemblage of shipping from different seas that must have impressed the new-comers. Besides, in Malabar, where Hindu Rajahs were ruling in Calicut, Cochin and Kannanur, the Portuguese were safer than if they had landed on the maritime Provinces of Gujarat, Ahmadnagar or Bijapur under Muhammadan rulers who would have at once withstood the new challenge to trade monopoly of their coreligionists. As a matter of fact the most powerful Hindu State of the south, Vijayanagar, stood out against the formation of the coalition of the Muhammedan States against the Portuguese on their advent; while the Portuguese could easily play one Hindu State against its inimical neighbour in spite of their cruelty, fightfulness and highhanded treatment in regard to the prices of pepper they bought for Europe.

On the last year of the 15th century when Vasco da Gama returned to Portugal from Calicut, the King of Portugal wrote in a spirit of banter and bravado to the King of Spain that the real Indies was discovered not by Columbus but by "a nobleman of our household," who had brought with him "cinnamon, cloves, ginger, nutmeg, pepper, also many fine stones of all sorts; so that henceforth all Christendom in this part of Europe shall be able to provide itself with those spices and precious stones." But Vasco da Gama reported that, to obtain a share of this lucrative trade,

a good deal of hard fighting was necessary with the fleet of the Moors of Arabia and Malabar and of the Sultan of Egypt. Nor was there any Christian power in India to aid the Portuguese against the Moors.

Vasco da Gama was the founder of the Portuguese empire in India, and died in 1524 at Cochin where the first European factory and fortress were built in Asia. Almeida was the first Viceroy of India appointed by the King of Portugal in 1505, the "man on the spot" who would remain on his post for three years, thereby systematising the commercial and colonial activity that could no longer be left to the off chance of annual arrival of a fleet from home. He stabilised and extended the Portuguese empire by seizing the strategic settlements of Socotra and Ormuz, defeating the Egyptian fleet at Diu on the Arabian Sea Coast and controlling the pepper and cinnamon trade of Malabar by his command of the Indian Ocean. He was the first empire-builder from the West to grasp the significance of sea-power in the Indies. "Let it be known for certain that as long as you may be powerful at sea, you will hold India as yours; and if you do not possess this power, little will avail you a fortress on shore." D'Albuquerque who succeeded him as Viceroy in 1509, founded Goa, the Portuguese capital of the Indies, and seized the strategic port of Malacca (1511), the gateway to the Far East, thus obtaining the command of the entire Asiatic spice, salt and metal trade. Gradually under successive Portuguese Viceroys of the East Indies a string of strategic points was secured for directing the entire Eastern trade in silk and spices to Lisbon, instead of through the channels of Alexandria, Aleppo and Venice: Mozambique, Sofala and Melinda on the coast of Africa; Muscat and Ormuz on the Persian Gulf; Mocha and Socotra on the mouth of the Red Sea; Diu, Daman, Goa and Cochin on the Arabian Sea Coast of India; Colombo in Ceylon; Negapatam and St. Thome on the Coromandel Coast; Pipli, Hughli and Chittagong in the Bay of Bengal; Malacca in the East Indies; and Macao in China. Gradually in Indonesia several settlements were later on founded. All were linked up with "Golden Goa" in India, the seat of the Portuguese empire in Asia. Soon what Albuquerque fore-

told in 1511 came to be true. "If the Portuguese were only to take Malacca out of the hands of the Moors, Cairo and Mecca would be entirely ruined, and Venice would then be able to obtain no spiceries except what her merchants might buy in Portugal."

Meanwhile Columbus's plan of reaching India via the Atlantic was followed up by other Spanish explorers and adventurers who, however, discovered mines of gold and silver in Peru and Mexico, another empire in another continent. The flow of gold and silver into Europe raised the price level throughout this continent, stimulated industry and big business enterprise by increasing profits and underlay the beginnings of the colonial empire of Europe in the seventeenth century. In Southern Asia the quest of spices and silk, then the most valuable commodities of world commerce, was linked up with the commercial development and colonial expansion of modern Europe. Much of the precious metals that Europe derived from Mexico and Peru found their way to India which exchanged these for her various industrial products, especially cloth goods, indigo and salt-petre. The expansion of world commerce, with India occupying the central position, would not have been possible in the 17th century without the improvement of shipping and navigation, due to the frequent naval conflicts in the Asiatic seas far away from the home waters, the adventurous spirit and greed of the European voyagers and merchants, and the abundant supply of bullion or specie transported in European ships from far across the Pacific into the Indian Ocean.

Throughout the 16th century the Portuguese sought to hinder as far as possible the Egyptian and Venetian trade between India and the Red Sea and the Persian Gulf with a view to substitute European merchandise for sale in India and divert to Portugal all the trade of the East with Europe. Piracy was resorted to, and Indian ships were plundered and sunk in Western waters without mercy with this end in view. All Arab and Indian merchants were compelled to obtain passports from the Portuguese at Diu before they were permitted to sail any further towards the East.<sup>1</sup> All ships had to pay, besides cartaz fees, customs duties at

<sup>1</sup> Dodsley: *A New History of the East Indies*, Vol. 2, p. 301.

Ormuz, Bassein and Malacca to the Portuguese, who also, according to Pyrard, "searched all the ships to see if any merchandise is being carried that is contraband and prohibited by their king." Arms, pepper, spices, indigo, tobacco, ginger and cinnamon particularly were prohibited goods that could not be carried on in any but Portuguese vessels; while routes to the Spice Islands and the Far East and to East Africa were reserved. English and Dutch merchants were excluded from trading in the Persian Gulf and the Red Sea or even entering their waters. Ships other than Portuguese could ply in the Asiatic waters only with passes issued by the captain of one of their ports, and then only under stringent and even oppressive conditions.<sup>2</sup> But Akbar's conquest of Gujarat in 1573 threw open the important port of Cambay to both foreign and Indian ships and merchants for trade with the Mughal Empire without the infringement of Portuguese rights. As late as 1612 we read, however, of the Indian merchants on the Gujarat coast being held in fear of the Portuguese by means of their sea forces "in regard of their shipping which they yearly send to the southwards and to the Red Sea who dare not to depart from hence without their (of the Portuguese) cartasse or license."<sup>3</sup> But even passes did not protect Indian or any foreign vessels from Portuguese piracy. So far as the internal trade was concerned the Portuguese maintained a custom house of their own in Hooghly in Bengal, and strictly enforced the levy of duty on tobacco which had become an important article of trade since its introduction at the beginning of the 17th century.<sup>4</sup> In the Archipelago as well the Portuguese, and later on the Dutch since the 17th century, also tried to oust the Indian traders and middlemen from their profitable trade and soon succeeded in achieving a control of the traffic.

Soon after their establishment in the Indian Archipelago, the Dutch, by means of compacts with local chiefs, secured that the principal commodities of trade including spices, pepper, gold

<sup>2</sup> Low, *History of the Indian Navy*, pp. 32, 37.

<sup>3</sup> See East India Company's Records, Kerridge's letter from Surat, 1612, p. 258 and p. 300.

<sup>4</sup> Smith, *The Oxford History of India*, p. 395.

and tin should be sold exclusively to them. The Indian or other merchants could not have any trade dealings with the natives, while even Indian cloth goods could be supplied to Sumatra and Java exclusively by the Dutch. No Indian or Arab ship could visit the tin-districts or enter Achin without Dutch leave or pass. This regulation was strictly enforced; while a string of forts was built by the Dutch in the East Indies since the beginning of the 17th century to awe both Sultans and subjects into submission. Thus the profitable commerce of the Arab, Armenian, Chinese and Indian merchants in the Southern Islands that continued up till the end of the 16th century came under Dutch monopoly and "the Moors were taught that we could easily destroy their commerce in all parts of India" as well. On the other hand, the Dutch monopoly of spices enabled them for about two centuries to secure commercial advantages over other merchants in the markets of both India and Western Asia. In Malabar the Dutch policy from the beginning was directed towards a "blockage from the land" for preventing the Rajahs and the Indian merchants from selling pepper to the English;<sup>5</sup> while at Pulicat in the Coromandel Coast that produced the printed calicoes for the Indian Archipelago the Dutch in 1610 secured from the local Rajah the contract that no other Europeans could be admitted to trade there.

The English came last in this scene and at the beginning "desired open trade for all nations" in India. In the famous letter that Sir Thomas Roe wrote to Prince Khurram in 1617, the Englishman expressed this objective, also pointing out in contrast that the Portuguese "have ever sought to keep in subjection your subjects, suffering none to traffic but themselves and exacting duties for licence to pass upon your seas."<sup>6</sup> But, although the English did not take resort to the cruel methods of Portuguese, they obtained in the interests of their trade far-reaching concessions of duty-free trade and freedom of inland trade which neither the Indians nor other Europeans enjoyed at

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<sup>5</sup> Panikkar, *Malabar and the Dutch*, pp. 118—125; also documents 508—509.

<sup>6</sup> East India Company's Records, Vol. IV, p. 101.

the time, and captured the coasting trade of India. While the Hindu merchants paid a duty of 5% on all goods imported by sea, the Mohammedan traders paid  $2\frac{1}{2}\%$  and the Dutch and English companies paid  $3\frac{1}{2}\%$ . Such discrimination was due to the reimposition of the *jazia* by Aurangzeb who later on exempted the Mohammedans from the payment of any duties. According to Stewart the rate of the *jazia* assessment in Bengal was  $6\frac{1}{2}$  per thousand on all property. The Dutch and the English paid  $1\frac{1}{2}\%$  on their trading in addition. Strachey observes: "As for the three European Companies they flatly refused to pay the *jazia* on which Aurangzeb, while exempting them from the impost, obtained its equivalent by raising the duties on European goods to  $3\frac{1}{2}\%$ , instead of the 2%, which had hitherto been allowed them by special charter."<sup>7</sup> The foreigners also obtained exemption from internal transit duties and from vexatious interference at the hands of customs officials as well as *faujdars* and *jagirdars*. The transit duties were heavier amounting to 10 to 12% between Agra and Surat and 10 to 25% between Ahmedabad and Surat in 1622. The brokerage charge was also 1%. The Dutch obtained exemptions from all these. This was not an inconsiderable advantage.<sup>8</sup> The Portuguese and the Dutch established themselves in Bengal much earlier than the English; and while the Portuguese trade was rather limited in its scope, the Dutch obtained large profits through their trade of Eastern Indian silk, sugar and saltpetre and of calicoes from the Coromandel Coast, especially from the middle of the 17th century. In Gujarat also the Dutch thrived much better than the English who arrived there earlier. But the English, in spite of their vicissitudes, stuck to their business; and this ultimately paved the way towards their commercial monopoly in India, while the Dutch carved out their domain of monopoly in the Indian Archipelago.

Surat was the chief port of the English in Gujarat where they obtained the right to trade in Indian indigo and calicoes for Europe from the Mogul Governor in 1612, while on the Coro-

<sup>7</sup> Strachey, *Keigwin's Rebellion*, p. 45.

<sup>8</sup> Balkrishna, "The Rise and Fall of the Dutch in India," *Proceedings of Indian Historical Records Commission*, Vol. XV.



mandel Coast trade relations were opened at Masulipatam in 1611. From Surat, factories in the interior were opened by the English at Ahmedabad, Cambay, Baroda, Broach, Dharangaon, Bhatkal, Karwar and Rajapur; while in Northern India, the factory at Agra (re-established in 1616) supervised over sub-factories at Lahore, Samana, Patna and Lucknow—these latter being all dissolved and trade concentrated at Agra later on. Agra was the centre through which large consignments of cloth from Samana and Machhiwara in the Punjab and Daryabad, Khairabad, Lucknow, Akbarpore and Nygome in Oudh and other places were collected. Some cloths were bleached or transformed in Baroda, Ahmedabad, Broach and Surat for the markets of Bantam, Mocha, and Basra as well as of Europe.<sup>9</sup> It was also from Agra that indigo and saltpetre came to the port of Surat. Throughout the 17th century Surat was reckoned the most famed emporium of the Indian Empire, to use the description given by Ovington. Attempts by the English to develop trade relations with Bengal from Surat and Agra with an intermediate station at Patna for the purpose of calico, silk and indigo failed at the outset. The reasons are not far to seek. The Portuguese were then settled at three important ports of Bengal, *viz.*, Hooghly, Chittagong and Pipli, where they were very prosperous and their authority could not be easily challenged. Besides, they could “come up with their frigates from the bottom of Bengal even up to Patna” where they transacted good business, as the English factors found in 1620. The English could share in the Bengal trade from Patna where they had a factory for the purchase of “rough silk and fine Bengal cloth” without coming in conflict with the Portuguese. Roe, who found Prince Khurram an effective mediator, could not find any prospects for English trade in Bengal, since the latter did not agree to any extension of their trade (1680), and hence had to persuade the English for concentrating in Gujarat. Portuguese and Arakanese piracy was also unfavourable for any trade developments in Bengal both for the Dutch and the English, especially in Eastern Bengal, while navigation on the Hooghly

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<sup>9</sup> *The English Factories*, 1645, pp. 6, 137 and 204.

was dangerous. Methwold wrote in 1620 that in Bengal "we are mere strangers; the coast is too dangerous and our shipping too great to adventure them among so many shelves and sands." It was the expulsion of the Portuguese from Hooghly in 1632 that offered real opportunities for trade to their other European rivals. Though the Portuguese menace ceased, both the Dutch and English were, however, deterred for some years by the internal disorder and turmoil in Bengal, and did not venture to proceed beyond the mouth of the river at Pipli and Balasore. It was the Dutch rather than the English who explored more the trade prospects and founded factories at Hooghly and Kasimbazar (1648—1650) earlier than the English who, however, had established the settlement at Patna prior to them. With the improvement of the navigation on the Hooghly, Pipli, Harihar-pore and Balasore declined in importance. Balasore and Harihar-pore were formerly the principal European settlements in the Bay of Bengal. At Pipli there were Portuguese, Dutch and English factories and at Balasore there were English, French and Dutch factories that dwindled in importance as the Hooghly estuary was opened up for shipping. There was danger still from the Arakanese pirates who nested in the deeper eastern channel of the Hooghly, called appropriately the 'Rogue's River.' Indian pilots were inefficient and expensive. There were no accurate charts indicating depths and soundings. There was also danger from the Moghul forts and batteries at the island of Hijili and at Thana. Each of these difficulties had to be overcome before the English could obtain security of trade up the Hooghly estuary and river. An immediate cause of the exploration of trade prospects in Bengal by pioneering from Masulipatam was the loss of trade in the Coromandel Coast due to famines and wars between the local rulers. Thus subsequent English enterprises made from Masulipatam with intermediate, conveniently situated stations at Cuttack, Harihar-pore, Pipli and Balasore succeeded in opening up trade with Bengal with its chief emporium, side by side of the Dutch, at Hooghly (1651).

Masulipatam, and not Surat, became the first and most important link in the chain of events that ultimately led to the

commercial supremacy of the English in India. The English obtained their footing almost simultaneously with the Dutch at Bantam and Jacatra in Java, but had to abandon these leaving the Dutch to build on these sites their future Eastern Empire. At Masulipatam also the English followed (1611) in the footsteps of the Dutch who preceded them by six years, and procured the custom of their goods "out and in here with great charges and divers ambassages sent to Golconda." In 1634 the King of Golconda, however, granted to the English freedom from all customs duties at this port that gave them a great advantage over their competitors. Even superior privileges were obtained at Madrasapatam in 1642, including freedom from customs, the government of the town and sharing with the ruler of the Carnatic the customs paid by strangers. Though for decades Masulipatam remained as the most important link of Dutch trade between the Archipelago, India and the West, this port of Machli Bunder (as called in Siyar-ul-Mutakherin) or simply Bunder, was destined to be the foundation-stone of the British supremacy in India. The English, who were first lured to the East by the profits of the spice business, ultimately saw it wrested from their hands by the Dutch, and naturally turned to India for the profits of the trade in cloth goods, indigo and saltpetre. For decades Surat and Masulipatam remained the chief emporia of the Indo-Western commerce of the English company. 'Agra clothing' which had an exceedingly profitable market in Persia, the Red Sea Coast and the Indian Archipelago was really Northern Indian cloths made in Oudh or the Punjab, but bleached and transformed in Surat, Broach, Baroda, Ahmedabad and neighbouring English factories. Some of these calicoes after bleaching found also a suitable market in England. Similarly, large quantities of silk came, as Tavernier tells us, from Bengal to Ahmedabad and Surat, where these were woven into fabrics. All these cloth and silk goods were exported from Surat which was also the principal port for the export of indigo from Sarkhej and Biana, and of saltpetre from Patna. It was also from Masulipatam that a large variety of cloth goods was exported by the English Company to Persia, the Indian Archipelago and the West. The

cloth goods from the Eastern Coast in fact sold much cheaper and in large quantities in Bantam and Macassar than those from Surat.<sup>10</sup> Thus the English could early develop a profitable trade in calicoes, pepper and saltpetre at Masulipatam. The famine in Gujarat in 1630 and the decline of the European trade in indigo from that region due to the American competition contributed to shift prosperity from the western to the eastern seaboard of India in the middle of the 17th century. Between 1651 and 1657 Bengal saw the establishment of the English factory not only at Hooghly (1651), but also at Kasimbazar and Patna, whence cheap saltpetre, calicoes, raw silk and sugar for Europe easily outstripped the value of the indigo trade from Gujarat; while the South Indian calicoes obtained through Masulipatam and its subordinate factories were invaluable for the development of trade with the Indian Archipelago, as in the case of the Dutch merchants, if the payment of the precious metals had to be avoided. Profitable also was the English trade with Persia and Western Asia for which the settlements at Surat and Ormuz gave the English excellent facilities. The English trade to Persia was also carried on by way of the river Ganges *via* Agra. It was, however, not till 1634 that the English factors first obtained at Masulipatam a considerable advantage over their competitors, including the Dutch, through the grant to the East India Company of freedom from all duties. Freedom from customs for the port of Surat was granted to the English Company by Aurangzeb in 1680. It was in 1651, as we have seen, that the first factory of the English in Bengal was established. In 1689 this was removed to Calcutta but this town remained for decades a small "mart for corn, butter, oil, coarse cloth and other country commodities." A regiment of regular infantry was applied for by the United East India Company in 1684; and this was the first disembarkation of British soldiers in India. By means of their fort and garrison, they protected, from the demands of the Rajas, their trading-vessels, which came down from Patna; but in the beginning of the 18th century, they obtained from Furruckseer,

<sup>10</sup> See *The English Factories*, 1642—1645, pp. 6, 192.

great-grandson of Aurangzeb, a *firman* or grant, exempting their trade from all duties; and, while the Company stood in need of protection against the native princes, this was regarded as their commercial charter in India.<sup>11</sup>

In the Archipelago the English suffered reverses at the beginning of the third decade of the 17th century. English merchants settled themselves or had factories at Tennaserim and Merjee (Mergui) in Siam; at Achin, Priaman, Tiku, Jambi, Mocha, Bantal, Cattoun and Bencoolen in Sumatra; at Bantam, Jakatra and Japara in Java; in Tonkin as well as at Macao and Chusan in China; at Sukadana, Sambas and Banjarmassin in Borneo; at Macassar in Celebes; at Lontor and Neira in Banda Islands.<sup>12</sup> After the massacre of the English at Amboyna (1623) and capture of several English ships by the Dutch, they withdrew their factories from all the places of these islands except Bantam. They were also excluded from the trade with Siam, China and Japan. In 1682 the English merchants at Bantam were expelled at the instigation of the Dutch from Java, and thus the English connection with Java after a continuance of eight decades was severed. To Bencoolen in Sumatra the English transferred their headquarters. Thus the concession they won in India was timely. For an intervening period, due to the loss of the Far Eastern trade and the dislocation caused by the wars in Southern India between the Mughal Emperor and the kings of Bijapur and Golconda, the English Company even thought of winding up their affairs in India and leaving the country. In Bengal too the English had long insisted on having the privileges of remission of duties. But this was refused by Aurangzeb, though his great-grandson made ample amends at least on paper. Ultimately what they could not obtain by negotiation was secured from the Governor of Bengal, first, by show of aggression and, then, by military force. Both the East India Company as well as English private traders did lucrative business in commodities in Bengal,

<sup>11</sup> See Mill, *History of British India*.

<sup>12</sup> See Foster, *England's Quest of Eastern Trade*; also Dodsley: *History of the East Indies*, Vol. II.

taking advantage of their exemption from duties and charges which were imposed on the movement of goods and which the nationals themselves had to pay. The imposts and exactions were at that time multifarious and obnoxious, not to speak of "the several affronts, insolences and abuses daily put upon us by Boolchand, our chief customer (causing a general stop of our trade)" as complained in the *Diary* of Hedges, who was the first English advocate of the idea of using force to extort trading privileges and immunities. He suggested that Sagar Island should be seized and fortified, and that the Moghul ships should be detained, captured and plundered. This is what the Portuguese did since da Gama practised piracy in the Indian waters in 1502. The Indian merchants were, therefore, placed under a serious handicap in the competition with the Europeans as they not only had to pay both customs as well as transit duties and other charges from which the Europeans obtained exemptions, but also lacked the protection of the Mughal fleet against the attacks of their shipping in the Asiatic waters by European frigates. The Indian ships were considerably larger in size and showed usually heavier tonnage, but they seemed to have been "not as handy or as well suited for fighting as are European ships."<sup>13</sup> While European piracy gradually led to the shrinkage of Indian foreign trade carried on in Indian vessels, both internal and foreign trade suffered considerably from the collection of tolls (*rahdari*) by officials as well as by *faujdars* and *jagirdars* and vexatious interference with and even appropriation of specialised or rare goods from the European merchants at the port by the Royal officers. Khafi Khan comments in this connection: "By degrees matters have come to such a pass that between the time of leaving the factory or port and reaching their destination, good and merchandise pay double their cost price in tolls. Through the villainy and oppression of the toll-collectors and the *Zemindars*, the property, the honour, and the lives of thousands of travellers and peaceful way-farers had frittered away."<sup>14</sup>

<sup>13</sup> De Laet, *The Empire of the Great Mogol*, p. 77.

<sup>14</sup> *Muntakhab-ul-Lubab*, pp. 248 and 293, in Elliot and Dowson, Vol. VIII.

Religious discriminations introduced by Aurangzeb to the effect that while the commercial goods of the Mohammadans should pay a tax of  $2\frac{1}{2}\%$ , those belonging to Hindu traders should pay  $5\%$ , virtually resulted in hitting Indian business since the considerable majority of merchants in the country were Hindus.

*Restrictions on Industry and Trade.*

By far the most important industry of the country, *viz.*, weaving was subjected to a variety of restrictions in the 17th and 18th centuries. A loom tax was general. There was also a road tax on cotton. Weavers were also sometimes compelled to buy grain at fixed rates considerably above market prices. In some areas there was also a house tax, or, again, a duty on stamping cloth before it could be exposed for sale. Peter Mundy referred to the imposition of a fluctuating brokerage on unbleached cotton goods, a brokerage charge of  $\frac{3}{4}$  to 1 per cent on bleached goods, together with a duty of  $\frac{3}{4}$  to 1 per cent more, reckoned at 5 pice the piece. Of this duty 2 pice went to the Governor, 2 pice to the broker and 1 pice to the merchant.<sup>15</sup> Tavernier found that silk and cotton weavers before exposing their goods for sale have to go to the contractor in order to obtain the king's stamp impressed on the pieces of calico or silk. Otherwise they would be fined or flogged.<sup>16</sup> Lastly, the weavers were altogether economically dependent upon merchants and money-lenders who supplied them with raw materials and advanced them subsistence money. As long as this money was not repaid they were under the grips of the intermediaries. The same economic dependence persists to-day, but in the 18th and in the beginning of the 19th century the dependence amounted to virtual slavery. The rates of brokerage were also heavy as governed by imperial fiat. Here is Robert Hughes' account of a transaction in Murshidabad silk in 1620. Silk was worth Rs. 100 per maund of 40 seers and  $34\frac{1}{2}$  pice per seer, from which was abated *sawai* or 25 per cent. The net price was about Rs. 75 per maund. The brokerage as

<sup>15</sup> *Travels*, pp. 369-370.

<sup>16</sup> *Travels*, Vol. I, p. 118.



well on this as well as on all other sorts of silk was by the Nawab's command but 5as. of a rupee per cent from the buyer, and 10as. from the seller; but the brokers usually took  $1\frac{1}{2}$  per cent from the buyer and 1 per cent from the seller. For brokerage of cloth goods they could claim nothing as due from the buyer, only his courtesy, but from the seller their right was half a pice per rupee.<sup>17</sup> Besides there was a discount of 17 per cent which was deducted from the price of skein silk (yarn). At Masulipatam, where the English and Dutch merchants were buying calicoes since the beginning of the 17th century we find that both merchants, Indian and foreign, and weavers were at the mercy of local governors who "purchase with their places (as they say) all the benefits by all trades withal." None can trade without compounding also with an agent who has rented the office of merchandising and brokerage. "When this man is fed by weavers, and such as seek to trade with us (the English), with about 8 or 10 per cent they may freely come and bring us ware, and besides what the Governor comes to knowledge of must yield him 10 per cent more; and sometimes men have been taken and accused of having gotten much by trade, and after many blows and long imprisonment paid a forfeit of all the money they had taken. This makes poor men bring their paintings (*i.e.*, patterned calicoes) in hugger-mugger and in the night, as thieves do the stolen cloaks to brokers."<sup>18</sup> Thus we read in a letter from an English merchant to the East India Company in 1614, three years after the establishment of the English factory at that place.

#### *Effects of English Monopoly and Coercion on the Weavers.*

For over a century the European merchants preferred to employ contractors called *dadani* merchants who made contracts with weavers and gave them advances of money for obtaining the finished cloths. Such contractors could be distrained by the English East India Company, if necessary. These Indian

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<sup>17</sup> *The English Factories*, 1618—1621.

<sup>18</sup> *East India Company's Records*, Vol. 2, p. 85.

contractors were entirely under the thumb of the European merchants, because without the intervention of the latter the wholesale market would be closed for them. "Were the present substantial merchants to be laid aside, it would be their ruin."<sup>19</sup> Thus the Indian merchants had to reduce their profits while contracting in order to secure the custom of the European Companies and this meant reduction of the prices of cloth and weaver's earnings. Gradually the Indian merchants found it to their interest to become the salaried servants of the Companies, *gumashtas*, instead of independent traders participating in the risks of business with the weaving population. The *gumashtas*, however, in the new industrial organisation, became more oppressive than the merchants, and having distributed the funds of the Company among the weavers often speculated on their own account, and sold off cloths to other traders.<sup>20</sup>

By the middle of the 18th century the English East India Company gave up the contract system and appointed a large number of *gumashtas* who advanced money to the weavers, obtaining from them signed *chits* and exercising a monopolistic control over them so that the weavers were not permitted to work for others. On the one hand, the weavers could not obtain a just price for their cloths. Bolts mentions that the "English East India Company's *jachandars* in league with *gumashtas* fixed prices in all places at least 15% and in some even 40% less than the cloths would sell in the public bazar or market on a free sale. On the other hand, the weaver in order to obtain a fair price would attempt to sell his cloths secretly to others, particularly to the *gumashtas* of the competing French and Dutch Companies who were always ready to receive them.

This led to greater invigilation on the part of the peons and the *gumashtas* and to corporal chastisement and oppression of all kinds. Bolts mentions that in the times of the Mughal Government and of Nawab Alivardi Khan the weavers

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<sup>19</sup> Dodwell, *Calendar of the Madras Dispatches*, 1744—1755, p. 136.

<sup>20</sup> Jones, *Warren Hastings in Bengal*, 1772—1774, pp. 38-39.

manufactured their goods freely, and without oppression; and though there is no such thing at present, it was then a common practice for reputable families of the Tanty, or weaver craft, to employ their own capitals in manufacturing goods, which they sold freely on their own accounts. With the introduction of monopoly, the entire weaving population as well as the merchants and intermediaries connected with the cloth trade were subjected to oppression and even "the most sacred laws of society were atrociously violated." Merchants from the upper parts of Hindustan were in fact expelled and those concerned with exports by sea discouraged, thus wrote Lord Cornwallis in 1788. But the effect of coercion on the weaving community was even more far-reaching.

Bolts (1772) describes the pernicious effects of the monopoly thus: "With every species of monopoly, every kind of oppression to manufacturers, of all denominations throughout the whole country, has daily increased, in so much that weavers, for daring to sell their goods, and '*dalals*' and '*pykars*, for having contributed to or connived at such sales, have, by the Company's agents, been frequently seized and imprisoned, confined in irons, fined considerable sums of money, flogged and deprived, in the most ignominious manner, of what they esteem most valuable, their crafts. Weavers also, upon their inability to perform such agreements as have been forced from them by Company's agents, universally known in Bengal by the name of '*mutchulcabs*,' have had their goods seized, and sold on the spot, to make good the deficiency and the winders of raw silk, called '*nagads*,' have been treated also with such injustice, that instances have been known of their cutting off their thumbs, to prevent to their being forced to wind silk. This last kind of workmen were pursued with such vigour during Lord Clive's late Government in Bengal, from a zeal for increasing the Company's investment of raw silk, that the most sacred laws of society were atrociously violated, for it was a common thing for the Company's sepoys to be sent by force of arms to break open the houses of the Armenian merchants established at Sayedabad (who have from times immemorial been largely concerned in the silk trade) and forcibly

take the 'nagads,' from their work, and 'carry them away to the English factory.'<sup>21</sup>

Whether the details of this oppression were true or not, the economic result was a wholesale abandonment of the occupation by the weavers, and the decline of the weaving industry in Bengal. Such was the direct consequence of the growth of industrial monopoly by the English Company, and oppression exercised by the Company's peons, sepoys and *gumashtas* against weavers and intermediaries in the cloth trade, which came within their tight-grips as the Company extended their factories in the interior of the Province. Verelst referred in 1767 to the unusual scarcity of weavers, a great many of whom had deserted their profession to seek for subsistence from a less precarious calling. The Aurangs were not so well peopled as they were twenty years before, he observes, and yet the demand for cloth goods in Europe was then much greater than what the country could supply.

#### *Effects of High Cotton Prices on the Weaving Industry.*

There was yet another method by which the weaving industry was hit by the English East India Company in the 18th century. They established some kind of a monopoly of the Bombay and Surat cotton, and thus the prices of cotton in Bengal rose from Rs. 16 to Rs. 18 per maund (of about 80 lbs. weight) to Rs. 28 and Rs. 30. Up-country cotton (*kapas*), however, began unexpectedly to be brought down the rivers Jumna and Ganges, but the Company soon induced Md. Raza Khan to levy a new and extraordinary duty of about 30 per cent on the cotton, so as to prevent its entry into the Bengal province. The gradual rise of the cotton prices towards the end of the 18th century deprived India of the advantage which she had formerly enjoyed in having cheap cotton. Since the 17th century the price of cotton increased by almost one and a half times, whereas in

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<sup>21</sup> *Considerations on Indian Affairs*, 1772, pp. 194—197. Bolts though dismissed from Fort William obtained justice in a British Court. His account, though containing elements of exaggeration, is backed by long practical experience and should not be dismissed as untrustworthy.

England by the first quarter of the 19th century the price of cotton was reduced by one-third as compared with the price which reigned down to 1780.

In Surat at the beginning of the 17th century cotton was selling at 40 to 60 *mahmudies* per candy (20 maunds), and cotton yarns at 8 or 10 *mahmudies* per maund.<sup>22</sup> By 1628 the price rose to 72½ *mahmudies* for cotton wool per candy and was still on the increase.<sup>23</sup> Similarly, the price of cotton yarn, due to the English demand, increased by at least 25%. The gradual rise of the price of raw cotton, due to the purchases by the English buyers, led to a great resentment among the weavers in Broach and Baroda who organised a regular 'mutiny' or strike, the English being called upon not to buy cotton yarn if they wanted any more cloths from them.<sup>24</sup>

In Madras cotton was reckoned very dear in the 17th century when it reached 20 pagodas a candy or about 4d. per lb., but in the 18th century and especially in the second half of it Dodwell notes that the cotton price ranged from 20 to 30 pagodas, *i.e.*, from 4d. to 6d. 6d. was reckoned the normal price in the coast ports in the early years of the 19th century.<sup>25</sup> In England, the price of cotton was reduced from 1s. 8d. in the 18th century to 7d. per lb. by 1828 when the American and West Indian cotton began to be imported. The exactions of the East India Company were also responsible for the decline of the trade and industry in Madras. Thus R. and J. Dodsley observe: "The trade of Madras was some time ago thought to be upon the decline through the oppression of the servants of the Company which has caused many merchants to withdraw. The Moors, Hindus and Armenians, have got possession of the trade they were wont to carry on to Pegu, the English being now chiefly employed in ship-building."

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<sup>22</sup> *Letters Received*, Vol. I, p. 28.

<sup>23</sup> *English Factories*, Vol. III, p. 245.

<sup>24</sup> *English Factories*, Vol. V, p. 22.

<sup>25</sup> Dodwell, "The Madras Weavers under the Company," *Indian Historical Records Commission*, Vol. 4, p. 42.

Nor was the weaving population inconsiderable in numbers. It is estimated that in South India the East India Company engaged the work of 40,000 looms, *i.e.*, approximately 50,000 weavers, and that the total number of weavers in South India was probably about half a million. Bengal, it may be estimated, had in the middle of the 18th century about a million weavers. But the famine of 1770 killed off probably half of the weaving population, dealing out a severe blow to the declining industry.

### *Features of Indian Import Trade.*

We would now briefly indicate the character of India's balance of trade. The most important imports in the Mughal days were gold, silver, cotton, lead, woollen goods, horses, spices, tobacco, glassware and slaves. Raw silk was also an important article of import necessary for the silk-weaving industry of Gujarat. We have already referred to the pointed observation of Bernier that gold and silver after circulating in every other quarter of the globe comes at length to be swallowed up, lost in some measure, in Hindustan, and he thus reiterates Sir Thomas Roe's observation that "Europe bleedeth to enrich Asia." This observation is also reiterated by Careri: "All the gold and silver which circulates throughout the world at last centres here." This state of things was due to a combination of several circumstances in the past. In the first place, Indian manufactures were much more in demand in foreign markets than foreign manufactures sold in India, and thus the exports much exceeded the imports in value. Secondly, the export trade was in Indian hands, being carried on in Indian ships and the profits of the Indian shippers, merchants, bankers and others intermediaries contributed to turn the balance of payments in India's favour. India's habitual position as a creditor country explains why "all nations bring coin and carry away commodities for the same." Of the import trade of India, we have an accurate description by Bernier which deserves full quotation: "Hindustan is in want of copper, cloves, nutmegs, cinnamon, elephants and other things with which she is supplied by the Dutch from Japan and the Moluccas, Ceylon and Europe; she obtains lead from abroad, in

part from England; broadcloths and other articles from France; she is in need of considerable number of foreign horses, receiving annually more than five and twenty thousand from Usbec, or great many from Persia by way of Kandhar, and several from Ethiopia, Arabia and Persia by sea, through the ports of Moka, Bassora, and Bandar-Abassi. It may also be observed that Hindustan consumes an immense quantity of fresh fruit from Samarkand, Bali, Bokhara and Persia; such as melons, apples, pears and grapes eaten at Delhi and purchased at a very high price nearly the whole winter; and likewise dried fruit, such as almonds, pistachio, and various other small nuts, plums, apricots and resins, which may be procured the whole year round; she imports a small sea-shell from the Maldives, used in Bengala, and other places, as a species of small money; ambergris from the Maldives and Mozambic, rhinoceros and porcelain from China, and pearls from Beheren, and Tutoconry, near Ceylon; and I know not what quantity of other similar wares, which she might well do without."<sup>26</sup> The creditor position of India was maintained until even the first half of the 18th century. Alluding to this period, the Select Committee in Bengal wrote in 1767 to the Court of Directors thus: "The immense commerce of Bengal might be considered as the central point to which all the riches of India were attracted. Specie flowed in by thousand channels. All the European Companies formed their investments with money brought into the country; the Gulphs (of Mocha and Persia) poured in their treasures into this river (the Ganges)."

#### *Trade Relations between India and England.*

It is necessary at this stage to survey the trade relations between India and England. Great Britain imported from India chiefly saltpetre, indigo, pepper and calico along with a small quantity of the ordinary type baftas and duties and the semianoes, which William Finch reported in 1609 as "more fitter for England than the baftas," together with some manu-

<sup>26</sup> Bernier, *Travels*, pp. 202—204.



factured silks. Finch rightly anticipated the growing requirements of the British market. Calicoes, the name of which appears to occur first in the East India Company's records only seven years earlier (1602), began to grow into popularity at the beginning of the 17th century in England, being much cheaper than the linens imported from Holland and France. The East India Company stated about 1624 that "instead of paying £500,000 annually to Holland and France for linens, lawns and cambrics, half the consumption of these articles is now superseded by the use of Indian calicoes." By the middle of the century English fashion underwent a profound transformation. All classes of people began to give up the English broadcloth, "the glory of England," in favour of light and elegant apparel. For some time French silks and linens supplied the British requirements, but in 1678 England completely forbade the importation of the French stuffs. The gap was now effectively filled by the Indian weavers whose stuffs were at once low-priced as well as elegant and gaudy, "they being become the wear of ladies of the greatest quality." Soon Indian calicoes, both printed and striped, began to flood the British market. In 1695 and in 1696 as many as 50,000 pieces of *chintz* or *betteloe* of all kinds were sent for from Surat. The Dutch and the French were also exporting large quantities of cloth goods from India. We read in the letter from the Court of the East India Company to Madras in 1670: "We have continued to supply you . . . in regard the Dutch do so fully fall in with the calicoe trade that they had last year 50,000 pieces of long cloth." Men's shirts, neck-ties, handkerchiefs and stockings, women's gowns, hoods and petticoats and children's frocks were all made of calico and other Indian stuff which were described "as light as women and as slight as cobwebs, printed tandrums and the gewgaws of East Indies", and which came upon the country as a "plague."<sup>27</sup> Gujarat, Sind, Agra, Oudh, Bihar, Bengal and Coromandel calicoes enjoyed the greatest favour. The phenomenal expansion

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<sup>27</sup> Quoted by P. J. Thomas in "England's Debt to Indian Handicrafts," *Indian Journal of Economics*, April, 1932.

of the English Company's imports to England of cloth goods from Bengal from the middle of the 17th century to its end is shown by the following figures: Between 1658—1664, 15,000 pieces of cloths were ordered from Hooghly per annum; 91,000 pieces between 1673—78 and 455,000 between 1680—83. Prior to the Industrial Revolution, which revolutionised the British textile industry, Indian methods of production and printing of calicoes were adopted both in England and in the Continent, and in fact the imitation of Indian calicoes and chintzes proceeded *pari passu* with the prohibition of the Indian imports. It appears that the Dutch were the first to introduce the Indian process of cloth-printing into Europe which was later on learnt by the French and the English. Even the Indian designs and motifs were reproduced in the European printed calicoes in order to satisfy the customers. For the making of candle-wicks and stockings in English homes cotton yarn also used to be imported from India.

A few other commodities imported from India were mentioned by the English factors in 1661: "The two vessels had now good cargoes of olibanum, myrrh, pepper, cowries, and other goods; but salt-petre could not be obtained, the captaines of this townes castile (Surat) ingrossing it, under pretence of the King's service."<sup>28</sup> Raw silk was also sent to England in considerable quantities from Bengal, the annual consignment increasing from 1,200 bales in 1679 to 5,740 bales during 1681—1685.<sup>29</sup> "Raw silk and taffaties" wrote the Directors in 1685 in their Despatch to Bengal, "are always the most noble and staple commodities your Agency affords."<sup>30</sup>

India enjoyed primacy in the production of muslin or very fine cotton fabrics as well as common cotton cloths in the 17th century. England not only consumed calicoes but also the finest muslins, while the Company's purchases of cotton goods in India were also intended for the markets of the Indian Archipelago and

<sup>28</sup> *The English Factories*, Vol. XI.

<sup>29</sup> Balkrishna, "Early English Settlement in Bengal," *Proceedings of the Indian Historical Records Commission*, Vol. XVI.

<sup>30</sup> Khan: *The East India Trade*, 1680—1702, p. 251.

of Persia. Tavernier mentions that coarse spun cottons of inferior quality were exported in large quantities to Europe by both the Dutch and European merchants. "These are the kinds," he observes, "which are used to make the wicks of candles and stockings and to mingle with the web of silken stuffs." China with a supremacy in the silk industry also carried on a considerable trade with England. Thus the British trade with the Far East in the 17th century consisted in the import into England of raw silk from Persia, India and China, manufactured silk from China, spices from the Indian Archipelago and Spice Islands and calicoes, muslins, saltpetre, indigo and pepper from India. Sarkar estimates that the value of Indian products exported by the East India Company during the first sixty years of its trade with India averaged about £100,000 (8 lacs) a year, but by the year 1681 it rose to £230,000. The trade of the Dutch Company with India at this time was probably at least similar in volume.<sup>31</sup>

How the export trade of the English Company at Surat was distributed in value will appear from the following: pepper, saltpetre, raw and wrought silks were exported to the value of £30,000 a year; calicoes were exported to the value of £160,000. The Bengal export trade comprised principally silks and taffetas and saltpetre, with white sugar, cotton yarn, turmeric and bees-wax filling up any spare tonnage in the outgoing ships. In 1680 as much as £150,000 was appropriated to the factories of the Bay of Bengal. The following table shows the distribution of the piecegoods ordered from different regions of India:

Years	Number of Piece-goods in Thousands				Annual Average
	Surat	Fort	Bay	Total	
1673—1678	1875	1479	549½	3903½	650
1680—1683	2948	3795	1821	8564	2141
1696—697	865	844	862	2571	1285

With regard to the Dutch Company's trade figures are available only for the period 1683—1757. Surat, Bengal and Coromandel yielded annual profits of hundreds of thousands of guilders each

<sup>31</sup> Sarkar. *Studies in Aurangzeb's Reign*, p. 273.

although Bengal, after 1720, very frequently showed a loss.<sup>32</sup> Besides these commodities various drugs and a considerable quantity of indigo were exported. A trade in diamonds was strictly confined to private dealers. Slaves were also included among the exports of the English factory at Surat.<sup>33</sup> Raw cotton formed another item of export, and attempts were made in 1684 to save freight with the aid of machinery ("a screw or engine").

*Effects of the British Discriminative Protection.*

In 1701 and, again, in 1720 prohibitory and sumptuary laws were passed against the use of printed Indian calicoes in England, which greatly impeded the development of woollen and silk industry in that country. The next few decades saw heavier and heavier imposition of duties in the interests of Lancashire that contributed to reduce and ultimately kill the Indian trade. Besides the competition between British linen and Indian calico, Indian calico itself deteriorated in quality, and came to be less esteemed in Great Britain. This will be evident from the following observations of the East India Company: "Calicoes in general were in tymes paste a maine support of that Indian trade, and were here in good use and well requested and bin sold to som profit. Since they have declyned in goodness and increased so much in their prises, they are nowe become here att a stand in their use, and other countrie cloathing, being better made and cheaper, succeeds in calicoes roome. All sorts of calicoes are of late very much disesteemed here; and would be wore, were they not principally used in this place for dyeing into collours." But other countries in Europe imported calicoes; while Indian raw silk became the basic material of the English silk-weaving industry, which gradually developed fabrics ousting the imported Chinese fabrics. Cotton yarn was also exported to England

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<sup>32</sup> The Dutch in India, Ch. II, p. 57 in *Cambridge History of India*, Vol. V; also Balakrishna: *Commercial Relations between India and England* p. 140.

<sup>33</sup> Letters from the Court to the President and Council of Surat, dated July 1683 and February 1684, quoted in Anderson: *The English in Western India*.

mostly from Bengal and the Coromandel Coast for some time towards the middle of the 17th century both for candle wicks and for wefts for fustian, but the quantity sent did not exceed 500 bales.

Of the Indian exports saltpetre, which was abundantly produced in Bihar and Bengal, and thence taken to Hooghly and shipped to Europe as an ingredient in the making of gun-powder, had a fluctuating demand governed by the political conditions in Europe. It is estimated that in war time, England's demand for saltpetre was about 2,000 tons which could not be entirely supplied by the East India Company. On the other hand, in the time of peace saltpetre was "a very drug that can hardly be sold on any terms." The amount imported from the East to England averaged only 800 tons per annum. Sugar and indigo dwindled in importance with the rise of the plantation system in the West Indies and the U.S.A. But inferior grades of sugar and indigo from Agra, and possibly from Bengal and Bihar used to be exported to Samarkand and Kashgar. With the loss of the European trade this trade continued for some decades more. Spices also decreased in importance as an article of trade with the change in the habits of consumption of Europeans who preferred cheaper sugar, and also with the improvement of fodder production which obviated the necessity of the slaughter and preservation of beef with spices in autumn. In 1620 Mun estimated that the consumption of spices in England was 250,000 lbs. With the loss of Bantam and the expulsion of the English from the East Indies the spice trade came to be handled mostly by the Dutch. The Coromandel Coast was not suitable for the production of spices, and in fact the pepper exported thence by the East India Company was selling too dearly in the English market. The trade in pepper and cinnamon from Malabar which had been long in the hands of the Portuguese and Dutch developed much later. The piracy on this coast was a severe handicap,<sup>34</sup> which was overcome with difficulty by the Dutch establishing a stronghold in Cochin and the English at Calicut for obtaining pepper

<sup>34</sup> *The English Factories, 1642—1645*, p. 32.

from the Malabar and Konkan ports. Thus the East India Company's investments or importations from the East Indies came to be concentrated mainly on calicoes, raw silk, cotton yarn, goat's wool or caramina wool or other products.<sup>35</sup> It was the decline of trade in pepper and spices from the East Indies which led the Company to devote their attention chiefly to the Indian coast, especially to calicoes and silk, both raw and wrought, and thus paved the way to the development of English trade and empire in India. Cotton and silk goods as articles of Indian export in England, however, fluctuated in importance with the development of vested interests in British woollen and silk manufactures.

The export of Indian silk fabrics to England increased in volume at the end of the 17th century, and there was a marked improvement in dyeing and weaving methods at the Kasimbazar factories effected through the importation of British technicians and workers who, however, "kept their art secret from the natives."<sup>36</sup> This was of course resented by "the Turkey merchants of England" who complained to their King. "(The East India Company) have sent to India throwsters, weavers and dyers and have set up a manufacture of silk which by instructing Indians in these manufactures, and by importing them so made, tends to impoverish the working people of England." In the second half of the 17th and at the beginning of the 18th century, Kasimbazar became the most important weaving centre in the world, containing Dutch and English factories, as Sayedabad (that was very near) had a French factory, and exporting vast quantities of raw silk and silk and cotton fabrics to Europe and the rest of Asia. Among the piecegoods exported from Kasimbazar were petambers, doriyas, chunder bannes, taffetas, flowered lungees, taramandels, girdles, soosies and elatches. Silk from Kasimbazar used also to be exported to Patna, Agra and Gujarat for being made into special fabrics. Kenn writes: "The exchange of money from Cassimbazar to Patna and Agra rises and falls as the said silk

<sup>35</sup> Davenport, Quoted in Khan: *The East India Trade in the 17th century*, p. 152; see also pp. 161, 259—263.

<sup>36</sup> Gruce: *Annals*, II, 314, quoted in Wilson, *Early Annals of the English in Bengal*, Vol. I, p. 46.

finds a vent in Patna or Agra.” Factories in Hooghly, Malda, Patna and Balasore also supplied silk goods to England in abundance. Their manufactures were co-ordinated and systematised, the Directors of the Company remedying some of the serious defects found in these factories. All this largely contributed towards a phenomenal increase of silk imports to England eventually bringing about an increasing resistance from the clothiers, the weavers and the Turkey merchants. On the other hand, the calico export trade considerably diminished due to discriminative protection that England adopted when calicoes began to supersede British home-products on a considerable scale. The danger from the Indian competition is vividly pointed out in a pamphlet at the end of the 17th century (1698): “The East India Company have already bought over great quantities of double calicoes, used in room of English flannels for shirts and other uses, and many have told me that it is so much better than flannel made of wool that they will never wear flannel while they can have this. They have brought over great quantities of cotton stockings, and many cotton stocks are now worn and, exported to the West Indies; as for stuffs they have brought over great quantities of cotton stuffs, dyed, stripped, plain, mixed colours in directest opposition to woollen stuffs; as for silk and mixt cotton it was useless to give an account of the many sorts of Norwich and London stuffs that are made of silk and English wool, which they have imitated.”<sup>37</sup> Philip Anderson also writes: “The manufactures of England could not compete with those of India. Woollens from the former country were not in sufficient demand to pay for the calicoes of the latter and consequently so much bullion was exported that Pollexfen on that ground alone built his arguments against the East India Company, and attempted to prove that they were inflicting an injury on the British nation.”<sup>38</sup> The total amount of money exported by the

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<sup>37</sup> Quoted in *Journal of Indian History*, Vol. I, Part 1.

<sup>38</sup> An Answer, etc., British Museum, 816 m 11(91), No. 2, quoted in Khan: *East India Trade in the XVIIth century*, pp. 272, 277.



New and the Old Companies and Private Traders during 1698-99 reached the stupendous figure of £2,234,256. The Indian calicoes and muslin not merely displaced English woollen goods and hit the English woollen industry directly but since England diminished her large importation of linen from Germany and Silesia all due to the preference for calicoes, the latter countries "were forced to set up manufactures of woollen by reason of which we have wholly lost that profitable trade." Milburn in his *Oriental Commerce* also thus accounts for the enactment of the English prohibitory and sumptuary laws (1700—1730) in this period: "The use of printed Indian calicoes, both in apparel and household furniture, was at this time become so universal as to be a great detriment and obstruction to the woollen and silk manufactures of the kingdom. This had occasioned several riots and tumults of the weavers in London, etc. It was, therefore, found necessary to redress the grievance, wherein so many were interested. An Act of Parliament was in consequence passed, to preserve and encourage the woollen and silk manufactures, etc., which absolutely prohibited the wear thereof, under the penalty of £5 for each offence on the wearer, and of £20 on the seller." Even the export trade of the East India Company in the Indian goods was also severely condemned by a large section of the British public. Thus we read in R. and J. Dodsley's *History of the East Indies* (1757) "By this practice of exportation of India goods so much vaunted of by the partisans of the Company the consumption of our own manufactures in those countries supplied with Indian stuffs is entirely destroyed, and Great Britain loses the advantages that arise from the employment of her own poor in the improvement of her manufactures, the most solid source of wealth and power to a nation." On the other hand, the danger of "the immense quantities of India goods laid up in Holland and France from being poured in upon us" was well recognised.<sup>39</sup> "The impoverishing traffic to the Indies" was sought to be eschewed altogether, ignoring the fact that "vast quantities of unmanufactured commodities (such as raw cotton

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<sup>39</sup> *History of the East Indies*, Vol. II, pp. 513 and 514.

and silk) were imported from the Indies which were afterward wrought up in Great Britain, whence they are again exported into different countries.”

With the prohibition of import of printed calicoes the import of the Indian cotton yarn of the finest sort was for some time stimulated. The reason was that the British weavers were adopting it and imitating several Indian cotton fabrics. English import duties continued to be raised until 1787 and the Indian cotton goods were diverted towards the rest of Europe, Africa, America and the West Indies. Simultaneously the abolition of slavery in the West also brought about a sudden decline of demand in guinea-stuffs or slave cloths in West Africa and Brazil from Surat, Bengal and Coromandel. Milburn (1813) writes: “The demand for Surat piecegoods has been much decreased in Europe, and from the abolition of the slave trade, the demand for the African market has been much reduced.”<sup>40</sup> Meanwhile the exclusion of Indian cotton fabrics, to which the British nation, particularly the British women, had become accustomed, indirectly stimulated the introduction of machinery into the cotton industry in Great Britain. The remarkable mechanical inventions within the next half century revolutionised the textile industry in England with profound repercussions on the decline of hand-loom production in India. The total annual export of Indian hand-loom products by sea in the 17th century has been estimated by Moreland at about 50 million sq. yards, 15,000 bales of cotton goods being exported by the English merchants, and 10,000 bales by the Dutch to Europe, making a total of 25,000 bales or 32 millions of sq. yds. for Europe excluding the trade of the French, the Portuguese and the Danes. Markets in the Far East, the Red Sea and Persian Gulf supplied by the Europeans as well as by Indian, Javan, and Siamese merchants absorbed, it is roughly computed, another 18 million sq. yds. of cloth. 1½ to 3 million sq. yds. more represented the cloth export to Persia and Central Asia up to the borders of the Caspian Sea by land

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<sup>40</sup> *Oriental Commerce*, Vol. I, p. 289.

routes.<sup>41</sup> Thus the total annual export of cotton goods by sea was between 50 and 60 millions of square yards, to which should be added 3 million sq. yards representing the export trade by the north-western land routes. Tavernier estimates that the Dutch took from Bengal 6,000 to 7,000 bales of silk annually, and the merchants of Tartary took another 6,000 to 7,000 bales. Reckoning a bale at about 1400 sq. yds., the Bengal silk trade alone may be taken as somewhere about 19·6 millions of square yards at this period. Stavorinus also estimates that 300,000 to 400,000 lbs. of unwrought silk from Kasimbazar was consumed in the European manufactories. This excludes the silk fabrics exported to Europe from that centre.

Even in the middle of the eighteenth century vast quantities of cotton piecegoods from Bengal, the Coromandel Coast, Gujarat and other parts of India were exported by the English and the French merchants to Europe in spite of the various restrictions imposed on this trade in England. An interesting account of the Indian exports of cotton goods to Europe by the French merchants in 1742 is given in Dodsley: *History of the East Indies*. There is here an elaborate list of merchandise brought by seven French ships to Europe in May, June and July, 1742. The more important cotton goods are culled from this list to which an explanation of the trade names and the localities of production have been added by the present writer:

## FRENCH TRADE IN INDIAN COTTON GOODS

(1742)

...	Description and Quantity in Pieces	Locality	Explanation of Trade-name
Guineas White ...	46,395	The Coromandel Coast.	Long cloth deriving its name from the Guinea Coast in Africa where it was used by slaves.
Guineas Blue ...	11,940		

<sup>41</sup> Moreland, "Indian Exports of Cotton Goods," *Indian Journal of Economics*, Vol. V, Pt. III.

...	Description and Quantity in Pieces	Locality	Explanation of Trade name
White Garas	... 51,710	Bengal	... Northern Indian name for coarse spun cloths.
Napkins	... (1) 23,200	Bengal	... These were usual- ly called Rumals or silk and cotton hand- kerchiefs or neck cloths.
	(2) 24,356	Masulipatam	
	(3) 9,400	Pondicherry...	
	(4) 6,540	Tranquebar ...	
	(5) 900	Pulicut ...	
Guingans	... 17,700	Bengal	... Gingham: striped or patterned piecegoods.
	100	Balasore	
White Baffetas	... 13,780	Gujarat or the Coromandel Coast.	Bafta: a general name given to calico of differ- ent grades and qualities.
Salempouris White	5,300	Salem	Printed or plain calico.
Blue	... 960	Salem	
Percales	... 8,100	The Coroman- del Coast.	Spangled cloth according to Hobson-Jobson, but plain high- grade calico ac- cording to More- land.
Casses	... 14,340	Bengal and Orissa.	Cossaes <i>i.e.</i> , khasa (Bengalee) or fine cloth with patterns.
Mallemolles	... 12,680	...	Mulmul or fine muslin.
Tangebs	... 7,199	...	Tanjeb
Nensougues	... 243	Bengal	... Nayansukh
Terindans and terindins	6,080		Terandam

...	Description and Quantity in Pieces	Locality	Explanation of Trade name
Elatchas	... 400		Ilacha. The above are varieties of muslin.
Doreas	... 5,280	Bengal ...	Stripped muslin.
Hamans	... 4,490	Bengal and Orissa.	Humhums: Cloth of thick stout texture.
Sanas	... 6,900	Bengal and Orissa.	Sannoos, flaxen or linen cloth (from Bengalee san, or flax).
Betilles	... 15,180	The Coroman- del Coast.	White chintz, from Portuguese 'Bea- tilha' or veiling according to Hobson-Jobson.
Organdis	... 700	Do.	Same as Beteela.
Tanratannes	... 3,780	The Coroman- del Coast.	Tarnatarnes. Cloth used in Ternate in the Indian Archipe- lago.
Chavonis	... 2,800	„	Not clear.
Socretons	... 6,840	„	Saklatun, light woollen stuff.
Deriabadis	... 2,640	Oudh ...	Derived from the town Daryabad; Peter Mundy's Dherriabad.
Pieces of different stuffs of Patna.	7,858		
Different embroid- eries of Dacca.	1,252		

The merchandise also included 143,000 lbs. of saltpetre (lonlo), 600,000 lbs. of pepper, 534,000 lbs. of redwood, 67,000 lbs. of cauris, 50,000 lbs. of blue vitriol (tautenague or tutiya), 17,000 lbs. of galeugal (gallegalle or mortar) as well as 43,200 lbs. of silk, and 2,070 lbs. of spun cotton (yarn).

At the beginning of the English trade in calicoes, 13,000 pieces of calico were exported in 1618-19. The figure rose sharply to 200,000 pieces in 1629. Between 1680—83 about two

million pieces of cotton goods and silk stuffs were imported per annum on an average by the English East India Company for the English and European markets. In 1720, the year of the imposition of fresh restriction of the import of Indian calicoes to England, the aggregate import was 1,502,498 pieces, including calicoes, wrought silk and sooseys. The value of such cotton goods has not been accurately estimated. Between 1677—1680 the aggregate value of the cloth goods was roughly estimated in the English Parliament between £200,000 and £300,000 of which the calicoes alone accounted for £150,000 to £160,000. In 1796-97 the value of piecegoods from India imported into England was £2,776,082 or one-third of the whole volume of the imports from India. In the sixteen years between 1793-94 and 1809-10 the imports of Indian piecegoods amounted to £26,171,125. In 1799 the import duties were raised in England, amounting to £67-10-0 per cent on "plain white calicoes."<sup>42</sup> Professor H. H. Wilson writes in this connection: "It was stated in evidence in 1813 that the cotton and silk goods of India up to this period could be sold in the British market at a price from 50 to 60 per cent lower than those fabricated in England. It consequently became necessary to protect the latter by duties of 70 or 80 per cent on their value or by positive prohibition. Had this not been the case, had not such prohibitory duties and decrees existed, the mills of Paesley and Manchester would have stopped in their outset and could hardly have been again set in motion, even by the powers of steam. They were created by the sacrifice of Indian manufactures." The political subordination of India not only led to the strangulation of India's European trade, but at home she was left completely at the mercy of England who forced upon her cotton piecegoods without the payment of any duty. Meanwhile the loss of Indian shipping and British competition also led to the loss of her nearer markets in Africa, Persia, Farther India and the Indian Archipelago that had for centuries depended upon her hand-loom products. The consequences of the rapid decline and eventual

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<sup>42</sup> See *Hobson-Jobson*, article on Piecegoods.

loss of the export trade of between 53 million to 63 million sq. yds. of cloth made in Indian cottages and karkhanas on the economic structure and general condition of employment in the country, especially in a period when population was increasing by leaps and bounds, can better be imagined. Such misfortune is unprecedented in the world's economic history.

*Effects of the Industrial Revolution.*

Nowhere was the "Industrial Revolution", indeed, severer in its economic effects on small-scale production than in India. Its pace had been quickened by the improvement of communications and the acquaintance by the European merchants with the cloth market of India. First assiduously explored by them to import to their countries such handloom products as linen, dress and decorative fabrics at the beginning of the 17th century, it was cultivated in the next century only for the export of European cotton goods leading to grave economic unsettlement. Until the middle of the 18th century India could maintain her industrial supremacy due to the skill and dexterity of her handicraftsmen, and to a series of inventions in crafts and industries which got the best out of manual labour. As a matter of fact, India, up till the end of the 18th century, supplied the whole civilised world with her cotton goods; the volume of her cotton production and trade in cotton goods with countries from Siam to South Africa, and from the Moluccas to the Caspian Sea in the 17th and 18th centuries is a most remarkable testimony to the industrial skill and enterprise of the Indians and represents an outstanding fact in the world's industrial and commercial history. It was as late as 1771 that England first produced pure cotton cloths. In the succeeding decades when England had been passing through the Industrial Revolution she forbade the export of tools and machinery, and even the migration beyond the seas of artificers and workmen employed in printing calicoes, cottons, muslins, and linens. Thus the only country from which India could obtain her apprenticeship in large-scale manufacturing production denied her this opportunity. Further, much of the wealth of India was concentrated in the hands of a very small and extra-



vagant aristocracy, which hardly used wealth for trade and productive purposes, while the middle class represented by traders, merchants and professionals was not large and enterprising enough for initiating industrial or commercial changes by investment of capital in new directions.

*Unequal Competition between Hindu and Muhammadan and European Merchants.*

The development of trade and industry was impeded in the provinces by innumerable and irregular taxes and exactions. Jadunath Sarkar enumerates fifty-four of these imposts which include customs-duties, license-fees for traders, dues corresponding to octroi, and a kind of income-tax (*zakat*) levied at the rate of  $2\frac{1}{2}$  per cent; others were taxes on the necessities of the poor, such as imposts on the sale of milk, vegetables, cow-dung cakes, and other kinds of fuel; the worst was a tax on the birth of male children. Shahab-ud-din Talish, a chronicler of Aurangzeb's reign, describes the economic consequences of such taxation in the following manner: "From the first occupation of India and its ports by the Muhammedans to the end of Shah Jahan's reign it was a rule and practice to exact *hasil* (revenue) from every trader, from the rose vendor down to the clay vendor, from the weaver of fine linen to that of coarse cloth, to collect house-tax from new-comers and hucksters, to take *zakat* from travellers, merchants, and stable-keepers." As Saidi has said: "At first oppression's basis was small, but every successive generation increased it" till at last in all provinces, especially Bengal, it reached such a stage that tradesmen and merchants gave up their business, and householders went into exile . . . . None of the Delhi sovereigns, in spite of their efforts to strengthen the Faith and follow the rules of the Prophet, put down these wicked practices. Only, we read in histories, Firoz Shah forbade these unjust exactions. But after him they were restored, nay increased.<sup>43</sup> The Provincial Viceroys also made monopolies of

<sup>43</sup> Jadunath Sarkar, "Shaista Khan in Bengal," *Journal of the Asiatic Society* (1906), Vol. II, pp. 263-64; also O'Malley, *Modern India and the West*, pp. 19-20.

the necessities of life such as food, clothing and even fire-wood, fodder and thatch. Thus they made enormous fortunes while trade languished and the general body of consumers was continuously subjected to direct and odious taxation. The privilege of collecting customs at a port like Surat was farmed out to the highest bidder or a favourite of the Imperial court, and we have the case of Mir Musa, Governor of Surat, who, unable to pay 72 lakhs mahmudis for Surat according to his bidding, had to leave Surat but so reduced the customs duties at Cambay and Broach that there was a serious fall in the trade of Surat. The competition between farmers and assignees of revenue, and bribes, forced sales and over-valuation of merchandise affected the normal flow of trade in the Gujarat ports. On the other hand, European merchants secured trading rights and privileges from the Emperors and Provincial Viceroys, and were less interfered with than the Indian merchants in their commercial enterprises by the local Viceroys and magnates. This placed the latter in a disadvantageous position.

The imposition of discriminative duties and of the *jaziya* by Aurangzeb contributed largely to strengthen the trade and influence of Muhammedans to the detriment of the Hindus who paid a custom duty of 5% as compared with  $2\frac{1}{2}\%$  duty paid by the Muhammedan traders. In 1667 the latter were altogether exempted from this duty. Both Muhammadan and Hindu traders, however, were discriminated against in Surat in favour of the Dutch who enjoyed freedom from transit duties from 1619 up to 1678 and the English who enjoyed the same from 1650. In 1644 the English Company obtained from the Emperor Shah Jahan important concessions in Western India. In the custom house at Surat the rate of Agra goods was reduced from 40 to 20 per cent, of Ahmedabad goods from 25 to 5 per cent and of Baroda goods from  $12\frac{1}{2}$  per cent to nil.<sup>44</sup> Six years later the Emperor directed officials in charge of the roads between Agra and Bengal, and between Agra and Surat, either by way of Burhanpur or *via* Ahmedabad, that the English Company, who

<sup>44</sup> *The English Factories in India, 1642—1645*, p. 214.

paid the usual customs at Surat, Broach and Lahari Bandar, should be freed from any further dues (*i.e.*, road or transit duties). In 1651 when the English established their factory at Hooghly, they obtained exemption from payment of customs and all other duties from Prince Shah Shuja, Governor of Bengal, thanks to the medical skill of Boughton who cured the Emperor's daughter and Shah Shuja's wife and a present of Rs. 3000. Thus the English outstripped the Portuguese, the Dutch and the French in their privileges. Five years later (1656) Sultan Shuja granted the English merchants duty-free trade in Orissa and Bengal by abolishing anchorage dues and the customs duty of 4 per cent, demanded previously at all port-towns on goods exported or imported. All officials were warned against opening goods of English merchants or forcibly purchasing them at lower prices as was the former practice. The next Nawabs of Bengal, Mir Jumla and Daud Khan, continued this privilege of exemption of the English from the payment of 4 per cent customs duty; but Shaista Khan did not, "causing a general stop of our trade." Upon this the English merchants sent an envoy to Aurangzeb who, however, refused to intervene. "The Emperor (Aurangzeb) hath never given any *phirmaund* (firman), but what is directed to the Governors at Surat" (and not applicable to Bengal). But by coaxing the Governor of Bengal "with much struggling and great bribes,"<sup>45</sup> the English continued to enjoy the privileges first granted to them by Shah Shuja till 1682. In 1686 there was a rupture between the English and the Moghul Governor at Hooghly, who made an attack on the English factory at Hooghly. On the one hand, the Moghul Governor considered that it was inequitable that the developing commerce of the English Company and private merchants should be exempted from the tolls that all other merchants paid, and that he was not bound by the *nishan* of Shah Shuja. On the other hand, the English thought that the *nishan* was binding, and suffered from the exactions of the authorities who held up the saltpetre boats sailing down the Ganges or prevented the Indian merchants from dealing with the English.

<sup>45</sup> See Balkrishna, "Early English Settlement in Bengal," *Proceedings of the Indian Historical Records Commission*, 1939.

The assault led Job Charnock, the agent of the English in Chittagong, to remove himself to Sutanati, the site on which modern Calcutta has been built, and then to Hijili. Agreement was, however, concluded in 1687, enabling Charnock to come back to Sutanati on the promise that the customs grievances of the English should be redressed.

Tavernier, speaking of the customs duties at Surat, observes in 1665: "Private individuals pay as much as 4 and 5 per cent duty on all their goods; but as for the English Company and the Dutch Company they pay less." He, however, adds that if the cost of presents and deputations from the European merchants be reckoned, "the goods cost them scarcely less than they do private persons." Thus in 1692 the English company got their customs duties, transit duties and other charges paid by other merchants in Bengal, Bihar and Orissa commuted into a lump sum annual payment of Rs. 3,000. Port duties, town customs, presents and other charges were, however, continued to be levied from the general body of native merchants. The Dutch merchants were at that time paying no transit tolls, but a 4 per cent duty at Hooghly, and 5 per cent at Pipli and Balasore. At Surat they were paying  $2\frac{1}{2}$  per cent duty in lieu of which the English paid a sum of Rs. 10,000 only per annum according to the terms of a firman they secured from Furruckseer in 1716. That the native traders in particular were unfairly treated was recognised even by the foreigners themselves. Thus the English Company wrote in 1698: "The Company have by grants, *Firmans* and mutual stipulations obtained very great privileges and immunities in most parts of India, not only beyond any other nations trading thither, but even beyond the natives themselves." Similarly, Stavorinus observed about the preferential treatment accorded to the Dutch: "From them it appears that the trade of the Dutch Company in the empire of Hindustan has, from time to time, been encouraged with such extraordinary privileges, as if they were, and even more than as if they were, natives of the country, and the Prince's own subjects, who has taken them under his special protection, against the oppression and extortions of his lieutenants, governors, etc." The phenomenal profits

earned by the Dutch traders at the end of the 17th century were mentioned by Sieur Luillier as follows:

30—40 per cent on Bengal silks and rice to Coromandel;

500 per cent on Chinese silks;

1,000 per cent on Japan articles;

1,200 per cent on Japan articles.<sup>46</sup>

The unequal struggle between the European and Indian merchants due to the exemption of inland dues and duties was rendered all the more difficult because of the danger to Indian shipping in the Asiatic seas from European pirates against which no protection was forthcoming from the native administration. European piracy began in the Indian waters with the Portuguese, who were especially notorious in the coasts of Gujarat and Malabar, and also in Bengal where, according to Frinch, they "lived in no forms of subjection to God or man." Both the Dutch and the English followed in their footsteps using the mailed fist to secure trade privileges for their Companies, not to speak of the high-handed adventures of the private merchants and interlopers. The English, as soon as they had settled themselves in Gujarat, developed a profitable trade in coral from the Mediterranean (1616-17) that hit the Indian merchants who were importing coral from Mocha. The Governor in Surat prohibited the landing of coral from the English ships in the interests of the Indian merchants, but the English retaliated by seizing and plundering Indian ships, and had to be conciliated by the payment of an indemnity, and agreement for complete liberty to import goods without let or hindrance. On more than one occasion the English, indeed, obtained trade privileges from local governors by threatening the seizure of Indian vessels at sea. Rights of free trade were won in this manner in Orissa in the Bay of Bengal. The English forced from the reluctant Moghul Governor of Cuttack the privilege of trading free of all duties and of building houses and ships in the province of Orissa by this threat: "If the Nabob's pleasure was

<sup>46</sup> See Balkrishna, 'The Rise and Fall of the Dutch in India,' and 'Early English Settlement in Bengal,' *Proceedings of the Indian Historical Records Commission*, 1938 and 1939.

such as to be at odds with us there neither could would or should any vessel great or small that belonged to these ports stir out of any havens but they would take them.” (English Factories, 1630-33, pp. 301—305). Thus were founded in 1633 their settlements at Hariharpur and Balasore. Similarly in 1652 Blackman desirous of wresting privileges from the governor of a port in Malabar remarked: “God hath given us power on the sea that, if we be wronged on the land, wee may right ourselves there.” As late as the middle of the 18th century we read the following admonition in Nawab Ali Vardi Khan’s *parwanah* to Barwell, the English Company’s Governor (1748). “The Syads (Arabs), Moghuls, Armenians, etc., merchants of Hooghly have complained that lacs of goods and treasures with their ships you have seized and plundered, and I am informed from foreign parts that ships bound to Hooghly you seized under pretence of their belonging to the French. The ship belonging to Antony (an Armenian) with lacs on board from Mocha and several curiosities sent me by the Sheriff of that place you have also seized and plundered . . . As you were not permitted to commit piracies I write to you that on receipt of this you deliver up all the merchants’ goods and effects to them.”<sup>47</sup> This warning went unheeded compelling the Nawab to take resort to various repressive measures against the English traders in their different factories. But a weak ruler could not but submit to foreign highhandedness, backed by sea-power that gradually drove the mercantile marine of the Indians as well as of the Armenians and Turks out of the Asiatic seas. As the traffic in Indian merchandise was gradually transferred to the European mercantile marine due to European naval supremacy, the Indian merchants had to pay heavy freight charges, while the Europeans paid nominal or no charges in the vessels of their own Companies. Gradually the English Company ousted not only the Indian but also the Dutch and French merchants from the carrying and maritime trades. By the beginning of the 18th century the Dutch and the French commerce with India was well-nigh captured

<sup>47</sup> Dutta: *Alivardi and His Times*, pp. 147-148.

by the English, while after the Battle of Plassey the political suzerainty that the English obtained placed at their disposal the entire resources of Bengal for the establishment of commercial hegemony. In the inland trade formerly all transactions were done through the Indian brokers, but soon the English merchants had no use for them, and thus the brokers and intermediaries were ruined. The charter of Furruckseer, indeed, made the English merchants superior to the officers of the Bengal Government.

From the middle of the 18th century the trade by sea was thus gradually wrested from the native hands by the English as the latter imported goods almost freight-free from Europe and the Far East, and also obtained monopoly in certain lucrative fields of trade. Verelst, referring to "the overgrown influence of the European Companies who engrossed all the manufactures of Bengal," observed that such was the rigour exercised to complete the quantity (of cloths) required by the English Directors that even the Nawab found it difficult to procure the necessary supply for his household without making application to the English agents. Immediately after the Battle of Plassey the English Company established a virtual monopoly of the trade in Bengal piece-goods in the ports of the Persian Gulf and the Red Sea, and began to maintain in Calcutta a 'freight ware-house', to which the goods of all other merchants, Indian and European, were forcibly brought in order to be "shipped on vessels the latter have not a good opinion of and going on voyages whose destination and management were often contrary to their own private scheme of trade." "In consequence of such unwarrantable proceedings those merchants have frequently lost their sales, have had their goods damaged and sometimes lost even the goods themselves."<sup>48</sup> It was in this manner that the Indian traders who braved the seas from Masoawa to the Moluccas gradually lost their business connections, and become less and less enterprising. Besides, the development of any profitable trade whether in indigo, muslins or saltpetre was accompanied by the levy of excessively high

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<sup>48</sup> Bolts, *Considerations*, pp. 195 ff.



duties by Imperial or Provincial authority or even by the establishment of a monopoly that wiped out all profits of the merchants and profoundly handicapped trade. In 1633, for instance, an Imperial monopoly of indigo was established, and in 1655 saltpetre also became an Imperial monopoly intercepting profits accruing from the expanding export trade in both these commodities. Within the country, the Indian merchants suffered in the unfair competition and were ousted or ruined, and became themselves less enterprising. The groups of Muhammedan merchants in the western seaboard from Sind to Malabar and those in the Coromandel Coast traded in their own ships with the Indian Archipelago, Persia and Arabia but did not proceed beyond the Cape.

Bernier refers to the practice of burying gold and silver at great depth in the ground which had also its pernicious effects on trade and industry. Such is "the general practice among the peasantry, artisans and merchants, whether Muhammedans or Gentiles, but especially among the latter who possess almost exclusively the trade and wealth of the country." In Mughal India the considerable body of the industrial and trading population was represented by the Hindus. Most artisans and handicraftsmen, shopkeepers and merchants belonged to the Hindu community. Among the artisans the weavers, dyers, bangle-makers and bidri workers were Muslims. In Mukundarama's epic composed (1578—1589) in Bengal, we find the following Muslim workers: weavers, drivers of pack bullocks, cake-sellers, fishermen, manufacturers of looms (*salakars*), of bows (*tirgars*) and of paper (*kagazia*). Pelsaert mentions that most trade operations were carried on by the agency of Hindus, who were responsible for all the book-keeping, buying, selling and general business of brokerage on behalf of the Muslim merchants who employed them. The Hindu predominance in trade and wealth was, however, considerably weakened by Aurangzeb's imposition of the *jazia* and the exemption of Mohammedan merchants from all customs duties. A whole century of such differential treatment might have led to the ruin of many Hindu mercantile houses. But while the Hindu trader was despoiled,

the Mohammedan trader could not accumulate capital for the next generation since as soon as he died his entire property and riches were escheated according to the Mughal practice. The custom of escheat prevented the accumulation and transmission of trading capital among the Mohammedan merchants and thus hampered generally industrial progress. In fact the dissipation or withdrawal of capital from big businesses and the attempt of the sons, widows and officers of rich merchants on their death to prevent confiscation of wealth by hoarding were severe handicaps to trade and industry. It is interesting to note in this connection that while in India custom and religion were discouraging the accumulation of industrial capital, Protestantism in Europe was contributing towards thrift and accumulation of trading capital prior to the Industrial Revolution.

Neither the Hindu nor the Muhammedan trader could hold the candle against the European merchant who had greater skill and resources, and who obtained preferential treatment even from Muslim rulers for the sake of their own selfish interests or as a result of bribery or intimidation. Thus the Indian trader even supplied capital to European factors and merchants in order to participate in the benefits of the special privileges that Dutch or English trade enjoyed at Gombroon, Surat, Masulipatam, Madras, Hooghly, and elsewhere. The dwindling of the Indian merchant and middle class in strength and influence prevented the development of industrial capitalism on modern lines as in the West; while the change in the land system through the creation of various types of intermediaries between the State and the actual tiller of the soil also encouraged investment in land and discouraged industrial enterprise. Nor could any initiative or experiment in technology be forthcoming from the *Parishads* and *Madarasas* or centres of learning of the time which then revelled in the scholastic tradition rather than in the discovery of science and technics. The wide gulf between the intellectual and working-classes not merely prevented any mechanical improvement in the arts and handicrafts of the country, but also left the bulk of the artisans and workers in the cold shade of social neglect and even obloquy. Thus the intellectual, social and economic circum-

stances of India in the 18th century all conspired towards the loss of her industrial and commercial hegemony in the Orient, while the European countries were all going ahead through the cumulative results of inventions in the textile as well as in coal, iron and steel industries and in the methods of transport, trade and commerce.

*The Influence of Political Power on Trade.*

The year 1600 saw India not only as the nursing mother of Asia nourishing its different countries with rice, wheat, sugar and raw cotton, but also as the industrial workshop of the world producing a prodigious quantity of cotton and silk goods for the markets spreading from the Indian Archipelago in the east to Europe in the west and from the shores of the Caspian Sea to the coast of Mozambique and Madagascar. Mocha, in the Red Sea, and Hormuz at the mouth of the Persian Gulf (modern Bunder Abbas) were then the two important ports, whence the products of India and the spices and precious metals of the Archipelago used to be distributed to Western Asia, Africa and Europe. The European trade with India, mostly in money and luxury articles, was centred in Aleppo which was connected by land and river route with Hormuz, then the largest and most prosperous emporium in the Indies. The trade with Europe by land began to shrink in the opening decades of the 17th century as the result of the growth of sea-borne trade of the Portuguese, the Dutch and the English. The gateways to India at the beginning of the 17th century were Lauri Bander, linked with Multan, Lahore, Agra and Patna by road and by river, and "Golden Goa," the metropolis of the Portuguese East. In Eastern India Chittagong, Porto Grande, and Hughli, Porto Pequeno of the Portuguese in Bengal, Pipli, St. Thome and Negapatam carried on a brisk exchange between Indian cloth goods, rice, wheat, salt and opium and the precious metals of the Indian Archipelago. The Arabs, Abyssinians, Bengalis, Gujaratis, Malabaris, Javanese, and the Chinese, not to speak of the Portuguese, were then the chief carriers and traders in the Asiatic waters. The Portuguese established their dominion in the East by a regular system of

piracy which they carried on, seizing every Arab or Indian vessel they met. The leading object of their policy was clearly indicated by Bruce, the chronicler of the English East India Company, in his *Annals*. It was "to obstruct the transit of Indian produce to Europe by the Gulfs of Arabia and Persia, and to monopolise the whole of the Indian trade, by diverting it from these ancient channels, into their circuitous navigation, which would so increase the quantities and diminish the price, as to annihilate the former line of the trade, and thus render commerce subservient to that political influence, which the European art of war had given them, over many of the states bordering on the peninsula of Hindusthan, and over the islands in the farther Indian Seas." The beginning of the 17th century also witnessed the rise of Dutch, English and French settlements in India and the decline of Portuguese naval power and commercial supremacy in the East. The new European settlements now began to compete with one another for the capture of India's European trade in cotton and silk goods, indigo and saltpetre.

It was not a peaceful trade competition at all. The opening of the 17th century saw the newcomers, the Dutch and the English, united in their naval power and piracy for the destruction of the commerce and strategic settlements of the Portuguese in the Asiatic waters. Then the Dutch and the English having ousted the Portuguese began to fight each other. The period 1600—1650 saw the rise and full glory of the Dutch colonial enterprise in the East Indies. From the coasts of Malabar, Coromandel and Orissa in India to Ceylon, Sumatra, Java and the Spice Islands the Dutch East India Company with their capital at Bantam commanded the lucrative trade of a vast continent, and held the much coveted monopoly of the trade in spices that they wrested from the hands of the Portuguese after seizing Malacca in 1640. Between 1650 and 1700 the development of the British Colonial empire fills the picture, the English Company acquiring superior trading privileges in comparison with the Dutch in the Coromandel Coast at Masulipatam in 1634, at Madras in 1642, in Bengal and Orissa in 1656 and in Western India at Surat and the Deccan in 1716. From the middle of the

17th century the rapidly changing and complicated relations between England, Holland and France in Europe were largely determined by the interests of the East Indian merchants belonging to the rival European powers. At this time the Dutch and the English were serious rivals in the trade in the Asiatic waters from the Spice Islands to the Persian Gulf, and came into frequent conflict with each other throughout these extensive routes of lucrative Eastern commerce. The upshot of the tangled game of European politics with its long-drawn out wars was that while the Dutch inflicted great injury to the early French settlements in the East Indies they themselves were exhausted by the European wars for any schemes of trade expansion and colonisation in Asia. Thus the English found themselves in a position of great political and commercial advantage in India when the peace of Ryswick (1697) was signed in Europe. During the period we should remind ourselves, the voyage from India to Europe took about seven months. European ships left the Arabian sea coast in December, reached the Cape of Good Hope in February or March and St. Helena in April, whence the voyage to England took another three months.<sup>49</sup> In India the rival European powers thus had to struggle with one another without much anticipated aid from their home countries. This was obviously an advantage for the Dutch as against the English at the beginning, and then for the English against the Dutch in India due to the local command of greater capital and naval power. Economic factors of competition mingled with political power in determining the trade dealings of the European factors and merchants with the people and with the Moghul Raj, now declining in its power, and with the independent States. For several decades the profits obtained from economic monopolies and privileges were used for political aggrandisement by the Dutch, the English and the French. Meanwhile the economic position of the Indian merchants worsened due to the preferential treatment of foreign factors and traders. The vast profits of the expanding trade of India with Europe in cloth goods and other manufactures did not improve the economic

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<sup>49</sup> Kenn's *Account of Bengal*; see Wilson, *Early Annals of the English in Bengal*, Vol. I, p. 377.

condition and standard of living of Indian artisans and handicraftsmen, because of the vicious system of monopoly and trade privileges which severely handicapped the Indian merchants or made them contractors and later on mere *gumashtas* of the Companies, on the one hand, and the system of *dadani* advances, as the result of which workers were ruthlessly exploited. Yet the trade expanded, especially in the hands of the English and Dutch Companies, and as it expanded it brought more wealth to European countries.

At the beginning of the 17th century the chief factory of the British East India Company was at Surat (1612) with branches at Ajmere, Agra and Patna. But, as we have seen, the Dutch succeeded better here than the English whose Northern Indian settlements from Samana to Patna could not thrive in the business of the export of indigo and calicoes. The establishment at Masulipatam on the Coromandel Coast was founded in 1611. In 1632 this was raised to the rank of a Presidency. In 1626 a subordinate factory was established at Armagaon, and in 1639 at Madrasapatam. In 1640 the British East India Company laid the foundation of Madras and built Fort St. George. Next year Madras superseded Masulipatam as the headquarters of the Company on the Coromandel Coast. All the possessions of the Company remained under the jurisdiction of Bantam until 1653 when Madras was converted into a separate Presidency. The removal of the British seat of the eastern Presidency from Bantam to Madras in 1652 was due to the pressure of the Dutch. And, again, between 1672—74 there was naval fighting at Petapoli with the Dutch who won against the English and expelled the French from St. Thome. It was from Southern India that the commercial drive of the English towards Orissa and Bengal for obtaining the control of the trade in indigo, calico and saltpetre was, however, destined to succeed, paving the way towards the foundation of their empire in India. This was materially helped by the differential advantage they obtained over other Europeans in respect of freedom from customs and transit duties in both Masulipatam and Hooghly. The Dutch supremacy in the Archipelago and Ceylon gravely reduced the

share of the English in the trade in spices, pepper and cinnamon, and made them concentrate on the cotton piecegoods of the Coromandel Coast and Bengal and the indigo and saltpetre of Bihar and Agra. The Coromandel settlements helped the English to protect the trade on both sides of the Bay of Bengal and with Bengal itself, and these became the first fortified and more or less independent sporadic centres of European authority that sometimes "took in farm whole towns and villages," and could defy with impunity the local administration after the Deccan had severed its allegiance to the Moghul Emperor. On the other hand, in Western India the Marathas became stronger with the weakening of the Moghul Imperial power, extended their suzerainty over the coast districts, and even developed a strong navy. Thus the British found themselves here in a less advantageous position. Above all, a maritime power could extend its control over the continent more easily through a rich maritime province like Bengal with its big rivers. But this had to wait till the middle of the 18th century, *i.e.*, a whole century after the establishment of the first settlements at Hariharpur, Balasore and Hooghly. For, in the first place, the navigation on the Hooghly was dangerous due to shoaling and piracy; secondly, the Dutch ships controlled the Bay of Bengal making an English enterprise risky; thirdly, the Nawabs of Bengal, unlike the Carnatic rulers, were powerful enough to resist unfair commercial demands and privileges of the European Companies and maintained strong forts on the estuary of the Ganges at Hijili and Thana below the sites of the European factories.

The ascendancy of the English was slow but sure in Bengal with the acquisition of trade privileges that was at once the cause and outcome of the confusion at the two extremities of the dismembering Moghul Empire, *viz.*, Bengal and the Deccan. But in the former this was experienced half a century after the political upheavals in the Deccan. The coast of Orissa with Hariharpur, Pipli and Balasore as bases (founded between 1633 and 1634), was the spring-board of the advance from Masulipatam to Hooghly, and later on of the descent from Hooghly to Calcutta that was much nearer the estuary, and freer from operations of



the European rivals, as well as of the Mahrattas and the Nawabs of Bengal. After the expulsion of the Portuguese from Hooghly (1632) and Hijili (about 1636) the English aspired to capture the trade of Bengal, but their ships were not permitted to move up the Hooghly river. Thus though they had freedom of trade in Bengal, their shipping was restricted to Pipli where the Dutch had an earlier footing (1629). Balasore grew into importance (1642) with the decline of trade in Pipli, due to the change in the course of the Suvarnarekha since the first Portuguese settlement in 1516, providing such exports as sugar, iron, garrhas, sannoes, cassaes and ginghams<sup>50</sup>; while Hariharpur was a famous emporium throughout the 17th century, being the centre of tassore silks, sannoes, cassaes, ginghams, taffetas, and loongis of the English and Dutch export trade.<sup>51</sup> In 1651 a factory was established at Hooghly aiding and being aided by earlier settlements at Hariharpur, Cuttack and Balasore (1633) on the coast of Orissa. Soon a string of inland settlements as well including Kasimbazar, Malda, Dacca and Patna along with such coastal towns as Narsapore, Angerang and Vizagapatam arose together with Masulipatam, Armagaon, Patapoli and Viravasaram on the Coromandel Coast and carried on a brisk traffic in piece-goods. The factory at Dacca was established in 1668 and within a few years factories were opened also at Rajmahal and Malda in Bengal. Four to five hundred new factories were established by the English in Bengal, Bihar and Orissa by 1762, the number too suddenly multiplying, as Mir Kasim complained after the English victory at Plassey. The French had at this time their chief factories at Chandernagore, Kasimbazar, Saydabad, Patna, Balasore, Rungpur, and Jugdea; and the Dutch at Kagrama and Mowgrama. Among the places where English factories were established are Patna, Malda, Kasimbazar, Rungpur, Rampur Banliah, Kumarkhali, Santipur,

<sup>50</sup> *The English Factories*, 1642—45, p. 65.

<sup>51</sup> See also P. Acharya, "Mayurbhanj and the European Factories at Pippli and Balasore," *Proceedings of the Indian Historical Records Commission*, XVI; also *History of the East Indies*,

Burran, Elambazar, Surul, Ganutia, Sonamukhi, Radhanagore, Khirpai, Haripal, Golagore, Jangipore, Sardah, Jugdea, Dacca, Lakshipur, Colinda, Balasore, Balaramgarhy, Baranagore, Dhani-khali, Buddal and Harial.<sup>52</sup> Calcutta was founded on the basis of the purchase of Sutanati and the adjoining villages in 1698 on a strategic site that was on the eastern bank of the river and hence free from the depredations of the Marathas, and dominated both the Bay and the estuary but the East India Company was yet unable to make a headway on account of the hostility of the French. At this time (1700) Masulipatam was still described as "the most flourishing colony in Indies."<sup>53</sup> This is doubtful since Madras by this time has grown into great importance. As a matter of fact, Baron wrote in 1695: "The Presidency of Fort St. George (including Bengal) is at present the most considerable to the English nation of all their settlements in India, whether we respect it in reference to the trade to and from Europe, or the commerce from one part of India to the other." War with France and England came to an end with the Peace of Utrecht (1713), and there followed a spell of great commercial prosperity for England. By this time Indian merchants were squeezed out of the carrying and maritime trades, and Indian ships under Indian captains and *lascars* which used to ply so long in the Asiatic waters began to be ousted. The land trade through Lahore and Multan and beyond the frontiers through Kabul, Kandahar and Kashagar to Western and Central Asia also gradually dwindled with the expansion of sea-borne trade that came under the virtual monopoly of the English to the exclusion of the nationals, and the Dutch and the French. Meanwhile on the Coromandel Coast the plans of Dupleix to found an Empire were also vanquished after open conflict following a series of rival alliances and intrigues with Indian potentates. Dupleix for a time became the potentate of the whole of South India from the bank of the Krishna, but the tide of events that were definitely going against the British turned for them with the capture and defence of Arcot by Clive in 1751. In the final phase of the

<sup>52</sup> K. Datta, *Alivardi and His Times*, p. 188.

<sup>53</sup> Dodsley, *History of the East Indies* (1757).

struggle between the English and the French in Bengal, the strategic superiority of the position of Fort William lower down the Hooghly river, the facility of anchorage at Garden Reach and the relative immunity of attack from the western bank enabled Admiral Watson's big ships to move up to the seat of French authority, Chandernagore, and capture it with incredible ease and quickness in 1757. Two years later (1759), the English finally extinguished Dutch aspirations for political power in Bengal in the decisive battle at Bedara. Stavorinus noted its effects thus: "Since the unfortunate issue of our expedition in Bengal in 1759 the reputation of our countrymen has been on the decline and we are obliged to be not a little dependent upon the English with respect to the piece-goods wanted for our cargoes both for Batavia and for Holland." The Dutch trade formerly "very profitable now ceased to be so."

The opening of the 18th century also saw the beginning of protective legislation in England against the importation of Indian manufactured products. The prohibition of the import of all Indian calicoes and silk in 1701 was followed up by the prohibition of their wear and use in 1720, and this contributed not a little towards first stimulating the mechanical inventions and discoveries in the textile industry which are comprehended in the phase 'Industrial Revolution', just as the wealth brought by the commercial classes from the Indies furnished the capital for both the transition from the handicraft to the large-scale industrial enterprise in Europe and for the development of European trade with the New World. Vast fortunes were accumulated in India by merchants and factors of the East India Company, and in the period when the Company became powerful enough to make or unmake kings who offered huge "presents", England gained considerable wealth for her industrial and commercial expansion. The Industrial Revolution and the progress of mechanisation which first revolutionised the textile industry in England were almost contemporaneous with the assumption of the Diwani in Bengal by the British in 1765. Hargreaves invented the spinning jenny two years later and Arkwright his water-frame about the same time, although the third of the great trio of

spinning inventions had to wait till 1779. A decade ago (1769) the following order of the Directors of the East Indian Company was communicated: Manufacture of raw silk should be encouraged in Bengal and that of manufactured silk fabrics should be discouraged, and silk-winders should be forced to work in the Company's factories and prohibited from working in their homes. But even before the cheap manufacture of goods by machinery in England, the English Company succeeded in more than doubling their trade with India between 1700 and 1750, and established a permanent market in this country for British woollens, metals, stores and provisions. The expansion of the Dutch trade was relatively much smaller during the same period, and from the mid-century it began to decay. Both the Dutch and the French were particularly handicapped in Bengal by the strict regulations of Muhammad Riza Khan who prohibited the Dutch, French and Danish factories from trading in salt, betelnut, tobacco and grain, and restrained their illicit trade. Thus Chevalier, Chief of the French Factory at Chandernagore, wrote to the authority at home: "Our privileges are no longer considered fit to be recognised. Our passports are no more valid. Our colours are insulted from all sides. Our boats are stopped and rummaged and new customs duties are imposed upon us, from which we were always exempted. The English act in the name of the Nawab, and their jealousy has reached a point which cannot be endured. In a position like this it is certain that we have nothing more to hope for and that we can regard India as absolutely lost to us."<sup>54</sup> The French Company's trade declined with the loss of political power in India, and it dwindled to such an extent that the Company was abolished in 1769.

### *The Ruin of India's Major Industries.*

The gradual conquest and consolidation of British power in India accompanied a complete reversal of the commercial relations between India and England. The balance of trade which had been in favour of India until the close of the 18th century

<sup>54</sup> *Bengal: Past and Present*, Vol. XVI, p. 130 quoted in N. L. Chatterjee: *Verelst's Rule in India*, p. 137.

now gradually began to turn against her. India's most considerable industry, *viz.*, weaving was crushed as a result of the imposition of British tariffs, of the loss of Continental markets due to the French Revolution and the Berlin decrees, of the introduction of mechanical inventions in the British textile industry and of the competition in India itself with the products of the power-loom. The year 1783 saw the introduction of the first sample of English muslin into Bengal, and 1786 the complete cessation of the export of yarn from this Province to England. By 1800 the national industry of India which gave employment to millions of men in their hours spared from agriculture and of women from their household work, and which almost held the monopoly of cloth and silk markets in Asia, Africa and Europe was on the road to ruin. Agriculture and industry formerly went hand in hand in considerable parts of India, especially Bengal, the Coromandel Coast and Gujarat. "The vacation from agriculture," to quote Orme's words, "occupied a much greater number of the inhabitants than can be spared in others, at leisure to apply themselves to the loom,"<sup>55</sup> while the women also earned considerable amounts of money by hand-spinning in their leisure. With the destruction of cotton and silk weaving and spinning India began to lean more heavily on agriculture.

Another industry was ruined in the year 1800 by the English Court of Directors disregarding Wellesley's recommendation of introducing India-built shipping in the trade between India and England. Lord Wellesley wrote "The port of Calcutta contains about 10,000 tons of shipping, built in India, of a description calculated for the conveyance of cargoes. From the quantity of private tonnage now at command in the port of Calcutta, from the state of perfection which the art of ship-building has already attained in Bengal (promising a still more rapid progress and supported by abundant and increasing supply of timbers), it is certain that this port will always be able to furnish tonnage to whatever extent may be required for conveying to the Port of London the trade of the private British merchants of Bengal."

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<sup>55</sup> Orme: *Indostan*, Vol. 2, p. 4.

The English Parliament enacted in 1814 that no ship, even though British, can enter London which had not on board three-fourths of its crew of British mariners. Between 1811 and 1813 discriminatory rates of import duties against non-British Indian ships were also imposed which were most harmful to the Indian mercantile marine. Thus an ancient occupation of the people, which made India the mistress of the Eastern seas, was gradually destroyed at the instance of the mistress of the Western waters.

The year 1800 saw a revolution in India's economy. India was now well started on the road to transformation from being the industrial workshop of the world to one of its richest raw material-producing regions. The Select Committee of the House of Lords observed in 1830: "The chief manufactures of India having been supplanted to a great extent by the manufactures of England, not only in the market of this country, but in that of India itself, it has become an object of the deepest interest to improve the productions of the soil; the Committee therefore instituted a full inquiry into the quality of the silk and of the cotton of India and into the measures which they likewise made inquiries as to sugar, tobacco, and other articles of Indian produce." Thus while the export of such Indian raw materials as cotton, silk, hides, oil-seeds, dye-stuffs and jute as were essential for the progress of the Industrial Revolution was encouraged by England since the beginning of the 19th century, India entered upon a period of de-industrialisation and increased dependence upon agriculture. Meanwhile *Pax Britannica* stimulated a population increase unprecedented in the preceding centuries. By 1800 the disparity between population and resources and the over-crowding of agriculture, with its inevitable consequences of unemployment and poverty on a scale unparalleled in any modern civilized community, represented new features introduced into the economic scene of India unfamiliar in the past.

## APPENDIX ON THE MAP OF INDIA AS THE INDUSTRIAL WORKSHOP OF THE WORLD

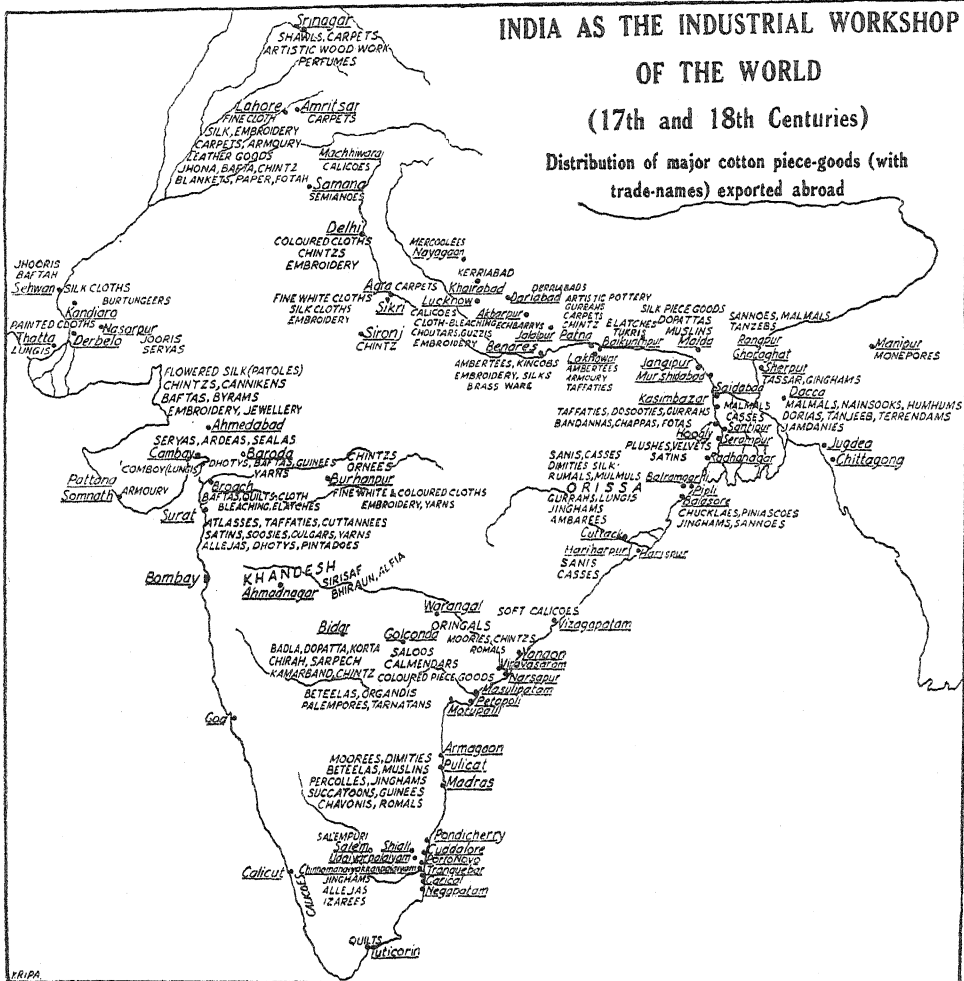
The distribution of Indian industrial and commercial products of the 17th and 18th centuries is based on the accounts of contemporary Indian chroniclers and European travellers, merchants and factors. The *Khulasat* and *Chahar Gulshan* are mines of information among the Indian records. From Europe it was Newbery (1583), Ralph Fitch (1583—1591), Linschoten (1595) and William Finch (1600) who made the early surveys of goods in India for the European markets. Among later accounts those of Bernier, Tavernier, Van den Broucke, Peter Mundy, Manrique, Manucci, John Marshall and John Kenn have been particularly useful for charting the industrial map. The correspondence of the English and Dutch factors and directors recorded in Foster's *Letters Received*, the many volumes of the *English Factories in India*, continued by Fawcett, Sainsbury's *Court Minutes* and *Dutch Records* have been scrutinised for varied industrial and trade information. The *Dagh Register* of Batavia contains full records of the sources of supply of Indian cloth goods for the Dutch trade. R. and J. Dodsley: *History of the East Indies* (published in 1757) also gives a concise account of Indian products in English, French and Dutch trade.

Some two hundred distinct items of cloth goods are mentioned in the different sources as export specialities of different parts of India. These were of definite shapes, patterns or colours and used to cater to the peculiar tastes or fashions of markets in the Far East, Africa, Western Asia and Europe. Thus both artisans and traders, "painters and chinters," were acquainted with the fashions of distant markets with which they had to deal. Many weaving towns and villages have been identified on the map. Some of these have now ceased to be industrial centres. An interesting list and description of exported cotton goods will be found in Peter Mundy's *Travels in Asia*, Vol. 2 and in Hobson-Jobson. Moreland's *From Akbar to Aurangzeb* and his article on "Indian Exports of Cotton Goods in the 17th century", *Indian Journal of Economics*, Vol. V, part 3, repay perusal in respect of the interpretation of several trade names. The latter is by no means an easy task since the names are derived from the Indian vernaculars, Arabic, Persian, Malay or the European languages and from small Indian weaving centres that are now forgotten.



Distribution of major cotton piece-goods (with trade-names) exported abroad

Distribution of major cotton piece-goods (with trade-names) exported abroad





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